

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC**

In the Matter of	)	
	)	
Applications of Comcast Corporation,	)	
General Electric Company,	)	MB Docket No. 10-56
and NBC Universal, Inc.	)	
	)	
For Consent to Assign Licenses and	)	
Transfer Control of Licensees	)	
	)	

**ANNUAL REPORT OF COMPLIANCE  
WITH TRANSACTION CONDITIONS**

*Comcast Corporation  
NBCUniversal Media, LLC*

300 New Jersey Avenue, NW  
Suite 700  
Washington, DC 20001  
(202) 379-7121

February 28, 2012

## TABLE OF CONTENTS

	<i>Page</i>
PART ONE: COMPLIANCE OVERVIEW .....	2
A. Comcast Transaction Compliance Team .....	2
B. NBCUniversal Transaction Compliance Team .....	2
C. Training of the Relevant Business Units .....	3
D. Compliance Monitoring and Auditing .....	4
PART TWO: COMPLIANCE WITH SPECIFIC CONDITIONS .....	5
I. DEFINITIONS .....	5
II. ACCESS TO C-NBCU PROGRAMMING .....	5
III. CARRIAGE OF UNAFFILIATED VIDEO PROGRAMMING .....	6
1. Non-Discriminatory Carriage .....	6
2. Neighborhooding .....	6
3. New Independent Networks .....	7
4. Program Carriage Complaints .....	8
IV. ONLINE CONDITIONS .....	8
A. Online Program Access Requirements and Procedures .....	8
B. Exclusivity/Windowing .....	9
C. Continued Access to Online Content and Hulu .....	10
1. Continued Programming on NBC.com .....	10
2. Preexisting OVD Deals .....	10
3. Provision of Content to Hulu .....	10
4. Relinquishment of Control over Hulu .....	11
D. Standalone Broadband Internet Access Service (“BIAS”) .....	11
1. Provision of Standalone BIAS .....	11
2. Visibly Offer and Actively Market Retail Standalone BIAS .....	11
3. BIAS Annual Report .....	12
E. Other BIAS Conditions .....	12
1-2. Specialized Service Requirements .....	12
3. 12 Mbps Offering .....	12
F. “Specialized Service” on Comcast Set-Top Boxes (“STBs”) .....	12
G. Unfair Practices .....	13
V. NOTICE OF CONDITIONS .....	13
VI. REPLACEMENT OF PRIOR CONDITIONS .....	13
VII. COMMERCIAL ARBITRATION REMEDY .....	13
VIII. MODIFICATION TO THE AAA RULES FOR ARBITRATION .....	13
IX. BROADCAST CONDITIONS .....	14
X. DIVERSITY CONDITIONS .....	14
1. Telemundo Multicast Channel .....	14
2-3. Telemundo and mun2 Programming on Comcast On Demand (“VOD”) and Online .....	15
4. New Weekly Business Program .....	15

## TABLE OF CONTENTS

	<i>Page</i>
5. Independent Programming Reports .....	16
XI. LOCALISM .....	16
1. News, Public Affairs, and Other Local Public Interest Programming.....	16
a. Preservation of Current Levels of NBC and Telemundo News and Information Programming.....	17
b. Increased Investment in NBC Local News .....	17
c. Increased Investment in Telemundo Local News .....	18
2-3. 1,000 Hours of Additional Local News and Information .....	18
a. NBC Owned Television Stations .....	18
b. Telemundo Station Group .....	20
4. News and Information Programming Reports .....	21
5. Non-Profit News Partners .....	21
6. More VOD Choices at No Additional Cost .....	21
7. Broadcast Content on VOD .....	22
XII. JOURNALISTIC INDEPENDENCE .....	22
XIII. CHILDREN’S PROGRAMMING .....	23
1. Additional Children’s VOD and E/I Programming .....	23
2. Ratings Icons and Parental Controls .....	23
a. Improved Ratings Icons .....	23
b. Improved Parental Controls .....	24
c. Parental Dashboard .....	24
d. Blocking Capabilities of IP-based STBs.....	25
e. Online Ratings Icons .....	25
3. Partnership with Common Sense Media (“CSM”) .....	25
4-5. Interactive Advertising .....	26
6. PSAs.....	27
XIV. PEG CONDITIONS.....	28
1. No Migration to Digital Delivery .....	28
2. PEG Carriage on Digital Starter .....	28
3. Quality of PEG Delivery.....	28
4. PEG on VOD and Online.....	28
XV. NCE AND LOCAL NCE.....	28
XVI. BROADBAND DEPLOYMENT AND ADOPTION .....	29
1. Broadband Footprint Expansion .....	29
a. 1,500-mile Expansion .....	29
b. Internet Service Upgrades to Rural Communities .....	29
c. Additional Courtesy Accounts.....	29
2. Broadband Adoption — Comcast Broadband Opportunity Program .....	30
XVII. GENERAL .....	30
XVIII. VIOLATIONS .....	30
XIX. REPORTING REQUIREMENTS .....	31
XX. TERM .....	31

## TABLE OF CONTENTS

Page

PART THREE: OVERVIEW OF PROGRESS ON VOLUNTARY DIVERSITY COMMITMENTS.....	32
A. Governance .....	33
1. Joint Diversity Advisory Council .....	33
2. Board of Directors.....	33
3. Internal Diversity Councils .....	34
4. Corporate Diversity and Inclusion Groups .....	34
B. Workforce Recruitment and Career Development .....	34
1. Diversity Planning and Execution .....	35
2. Attracting, Developing, and Promoting Diverse Talent .....	35
3. Affinity Groups.....	35
4. Accountability.....	36
C. Supplier Diversity .....	36
1. Increasing Outreach within the Supplier Diversity Community.....	36
2. Expanding Opportunities for Diverse Professional Services Firms .....	36
3. Improving Infrastructure and Expanding Second Tier Procurement.....	37
D. Programming.....	37
1. New Independent Networks.....	37
2. Expanding Distribution of Diverse Content .....	38
3. Increasing Diverse Programming Choices on VOD and Online .....	39
4. Adding News, Information, and Entertainment Choices for Diverse Viewers.....	39
E. Community Investment and Partnerships .....	40
1. Increased Funding for Minority-Led and Minority-Serving Organizations .....	40
2. Internship and Scholarship Programs .....	40
3. PSAs.....	41
4. Signature Programs.....	41
F. Comcast Opportunity Fund.....	42
G. Conclusion .....	42

APPENDICES (click on the links below to view)

- A. [NBCUniversal Non-Profit News Partners Progress Report \(Jul. 28, 2011\)](#)
- B. [NBCUniversal Non-Profit News Partners Progress Report \(Jan. 30, 2012\)](#)
- C. [Comcast PEG Pilot Program Progress Report \(Jul. 28, 2011\)](#)
- D. [Comcast PEG Pilot Program Progress Report \(Jan. 30, 2012\)](#)
- E. [Comcast Internet Essentials Launch Report \(Jan. 31, 2012\)](#)



**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC**

In the Matter of	)	
	)	
	)	
Applications of Comcast Corporation,	)	
General Electric Company,	)	MB Docket No. 10-56
and NBC Universal, Inc.	)	
	)	
For Consent to Assign Licenses and	)	
Transfer Control of Licensees	)	
	)	

February 28, 2012

**ANNUAL REPORT OF COMPLIANCE  
WITH TRANSACTION CONDITIONS**

Comcast Corporation (“Comcast”), for itself and on behalf of NBCUniversal Media, LLC (“NBCUniversal”) (and collectively, the “Company”), submits this annual report regarding the Company’s compliance with the conditions set forth in Appendix A (the “Conditions”) of the *Transaction Order*<sup>1</sup> for the period January 20, 2011 through January 28, 2012 (the “Reporting Period”).<sup>2</sup> In accordance with Condition XIX of the *Transaction Order*, a copy of this report is available as of today at [www.comcast.com/FCC-Annual-Report](http://www.comcast.com/FCC-Annual-Report).

This report is structured as follows. *Part One: Compliance Overview* provides an overview of the structure and processes the Company has implemented to oversee compliance with the Conditions. *Part Two: Compliance with Specific Conditions* summarizes the steps the Company has taken with respect to each of the Conditions. For ease of use, *Part Two* is organized to correspond with each section of the Conditions. Where a particular section is definitional only or otherwise does not include directives requiring or prohibiting certain conduct, this report nonetheless includes a reference for completeness. *Part Three: Overview of Progress on Voluntary Diversity Commitments* highlights some of the diversity and inclusion-related accomplishments that the Company has achieved since the Transaction.

---

<sup>1</sup> *In the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc., For Consent to Assign Licenses and Transfer Control of Licensees*, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (as amended by the Erratum released on March 9, 2011). Capitalized terms have the meaning ascribed herein and do not necessarily conform to the terms or definitions used in the *Transaction Order*.

<sup>2</sup> The Reporting Period started on January 20, 2011 (the Transaction Order’s release date) and runs through the anniversary of the close of the Transaction. See the definition of “Order Date” in Condition I of the *Transaction Order*. The Comcast-NBCUniversal transaction (the “Transaction”) closed on January 28, 2011.

## **PART ONE: COMPLIANCE OVERVIEW**

Immediately upon release of the *Transaction Order*, the Company put in place a formal compliance infrastructure designed to oversee and guide its compliance with the Conditions and commitments related to the Transaction. Using that structure, the Company established comprehensive processes and procedures designed to (1) ensure compliance with the requirements described in the Conditions and related commitments; (2) train relevant personnel on their obligations and the applicable guidelines; and (3) oversee reporting. The structure and elements of this compliance framework are summarized below.

### **A. Comcast Transaction Compliance Team**

To implement and oversee an effective compliance program, the Company created formal organizational structures at both Comcast and NBCUniversal under the ultimate authority of David L. Cohen, Comcast Corporation's Executive Vice President. The Comcast Transaction Compliance Team is composed of:

- Lynn Charytan, Vice President, Legal Regulatory Affairs and Senior Deputy General Counsel, Comcast Corporation.
- Justin Smith, Vice President, Senior Deputy General Counsel and Chief Joint Venture Compliance Officer, Comcast Corporation.
- Frank La Fontaine, Assistant Deputy General Counsel and Deputy Joint Venture Compliance Officer, Comcast Corporation.
- Christopher Simonson, Joint Venture Compliance Manager, Comcast Corporation.

The Comcast Transaction Compliance Team also works closely with Arthur Block, Comcast's Senior Vice President and General Counsel. The team is responsible for implementing compliance controls and managing day-to-day compliance-related activities for Comcast, and for overseeing and coordinating compliance activities at NBCUniversal. In addition, the Comcast Transaction Compliance Team conducts training on compliance requirements, monitors compliance procedures and systems, and prepares and files the reports required under the Conditions.

### **B. NBCUniversal Transaction Compliance Team**

NBCUniversal has established a parallel compliance team that is responsible for day-to-day oversight of NBCUniversal compliance activities and for coordinating with and reporting into the Comcast Transaction Compliance Team. In addition to being under the ultimate authority of Mr. Cohen, the NBCUniversal Transaction Compliance Team is under the day-to-day oversight of Rick Cotton, Executive Vice President and General Counsel of NBCUniversal. The NBCUniversal Transaction Compliance Team is composed of:

- Alisa Shudofsky, Senior Vice President, Compliance, NBCUniversal.
- Susanna Zwerling, Senior Counsel, Merger Compliance, NBCUniversal.
- Cathryn Sadler, Senior Counsel, NBCUniversal.
- Ersell Reid, Merger Compliance Paralegal, NBCUniversal.

The NBCUniversal Compliance Team is also supported by Margaret Tobey, Vice President, Regulatory Affairs, NBCUniversal.

To enhance compliance efforts, the Comcast and NBCUniversal Transaction Compliance Teams communicate on a regular basis, including through weekly conference calls, as well as additional ad hoc telephone calls and meetings, to discuss Transaction-related issues. This close collaboration ensures consistency in compliance methods, interpretation, and oversight across the Company's numerous business units. It also ensures that any problems or questions are identified and elevated at an early stage and receive appropriate attention at the highest levels of the Company, when and as appropriate. Finally, the teams are regularly advised by outside counsel versed both in the Conditions and the Company's businesses.

### **C. Training of the Relevant Business Units**

The Company's Transaction Compliance Teams together with outside counsel have devoted substantial time to educating Company personnel about the Conditions. This attention to training began immediately after release of the *Transaction Order*. Within the first two weeks of the release of the Conditions, for example, the Comcast Transaction Compliance Team:

- Notified business unit leaders of "Day One" compliance requirements with respect to Conditions that were effective immediately.
- Identified all matters that had to be addressed within the first 90 days after the Transaction and communicated those matters to the responsible business people.
- Conducted a training session on all key compliance requirements at a mandatory meeting attended by Comcast senior corporate and business unit leaders representing all business activities implicated by the Conditions. In connection with this training, the General Counsel of Comcast distributed the Conditions and related compliance training materials to each invitee.

Since that time, the Comcast Transaction Compliance Team has continued to engage in ongoing training, including:

- Tailored, in-person training to the Comcast Video Business Unit staff, the Comcast Content Acquisition group, and Comcast Corporation in-house counsel.

- Two webinar training sessions with over 300 Comcast government affairs personnel who work in local markets across the country.
- Personalized training with new officers.
- The first of what will be regular, semi-annual training for business leaders and in-house counsel in relevant business units of the Company.

Training activities have been closely coordinated with the attorneys in each affected business unit to broaden compliance oversight and to receive feedback about areas where additional training needs exist.

The NBCUniversal Transaction Compliance Team conducted similar training activities. For example, the team:

- Notified business unit leaders of “Day One” compliance requirements with respect to Conditions that were effective immediately.
- Circulated targeted e-mails to executives at all relevant business units outlining specific obligations applicable to those businesses and circulated refresher messages on an annual and semi-annual basis.
- With in-house legal counsel, conducted dozens of targeted training sessions on the pertinent conditions with all relevant business units.

The NBCUniversal Transaction Compliance Team also has provided and will continue to provide annual or semi-annual training and continues to work with the affected business units to ensure awareness among all employees that may be involved in business decisions relevant to any of the Conditions.

#### **D. Compliance Monitoring and Auditing**

Given the far-ranging scope of the Conditions, the Company established several processes to monitor, track, and audit compliance-related activities. The Transaction Compliance Teams and the relevant business units throughout the Company worked to separate every Condition into its component parts and then into concrete requirements, tasks, and goals to guide business-unit-level compliance activities. These business implementation plans were used to prepare spreadsheets and other manual tracking and calendaring tools that captured all commitment deadlines, as well as the assigned task “owners” and delegates.

In addition, the Company has contract approval processes that have been adapted specifically to ensure compliance with the Conditions. Where a relevant transaction may implicate the Conditions, review and sign off by a member of the Transaction Compliance Team is required before finalizing the agreement.

Transaction compliance functions will soon be supplemented by the implementation of an automated compliance tracking tool. Scheduled for deployment in mid-2012, the tool demonstrates the Company's ongoing commitment and investment in compliance with and oversight of the Conditions. The tracking tool consists of a comprehensive database designed to track all Conditions as well as related commitments and agreements (the "Compliance Tracker"). This collaborative application will allow business users across the Company to automate goal tracking and reporting processes and gain insight into the status of all Conditions and tasks for which they are responsible.

Creation of the Compliance Tracker has been a considerable undertaking. Working with a leading compliance software developer, the Transaction Compliance Teams spent several months designing a custom solution that could manage, track, and report on all of the business compliance plans during the entire lifespan of the Conditions (most of which are in effect for seven years). Preparation of the complete data set for the application required converting hundreds of individual business plans into thousands of individual, database-ready compliance records, each designating unique events, deadlines, and stakeholders.

When completed, the Compliance Tracker will allow the Transaction Compliance Teams to manage electronically the lifecycle of all Transaction-related obligations by facilitating documentation of task completion or gaps, and permitting ready status reports. It will be designed to send automated reminder messages at set intervals to remind business owners of their compliance obligations and the deadlines set for each task. Where appropriate, manual trackers will continue to be used in conjunction with the automated tool.

## **PART TWO: COMPLIANCE WITH SPECIFIC CONDITIONS**

### **I. DEFINITIONS**

*Provision defining the terms used in the Conditions:* This section is definitional only.

### **II. ACCESS TO C-NBCU PROGRAMMING**

*Provision establishing that multichannel video programming distributors (MVPDs) may submit program access disputes to commercial arbitration:* Because NBCUniversal is in the business of licensing programming to MVPDs, it has every incentive, separate and apart from the Conditions, to engage in good faith commercial negotiations designed to make that programming available to MVPDs at a mutually acceptable price, and on mutually acceptable terms and conditions. This has been the normal course both before and after the Transaction. No MVPD has submitted any program access dispute to commercial arbitration since the close of the Transaction.

### III. CARRIAGE OF UNAFFILIATED VIDEO PROGRAMMING

#### 1. Non-Discriminatory Carriage

*Prohibition on the Company discriminating in video programming distribution on the basis of affiliation or non-affiliation:* Because this Condition involves the program carriage requirements applicable to Comcast (and other MVPDs) before the close of the Transaction, Comcast business units and attorneys have been and are extraordinarily sensitive to program carriage issues and well-versed in the relevant obligations. Nevertheless, since the close of the Transaction, as described in *Part One: Compliance Overview*, the Comcast Transaction Compliance Team has conducted several in-person or written trainings with relevant business and legal personnel involved in carriage decisions to ensure heightened awareness of and compliance with these requirements. And a review of Comcast's offerings shows that Comcast carries a broad array of unaffiliated programming networks. In fact, independent networks comprise approximately six out of every seven networks carried by Comcast and, as discussed in *Part Two: Compliance with Specific Conditions*, Section III.3, Comcast has launched or announced the launch of several new independent networks during the Reporting Period. Further, as noted in *Part Three: Overview of Progress on Voluntary Diversity Commitments*, Comcast has substantially expanded the distribution of several existing independent networks.<sup>3</sup> There have been no program carriage complaints filed against Comcast since the close of the Transaction.

#### 2. Neighborhooding

*Requirement that independent news channels be included if Comcast creates news neighborhoods:* Comcast has not rearranged any news channels into a neighborhood since the close of Transaction and, as a result, has not incurred any obligation to neighborhood news channels (except in systems that have placed high-definition channels into the genre-based master channel lineup Comcast introduced into select markets beginning in 2010).<sup>4</sup> Nevertheless, to ensure sensitivity to this Condition and avoid even unintentional compliance concerns, Comcast contacted personnel who may be involved in any channel relocations to emphasize Comcast's obligations.

On June 13, 2011, Bloomberg L.P. ("Bloomberg") filed a complaint with the Commission seeking to be included in alleged pre-existing news neighborhoods on all Comcast systems within the 35 most-populous designated market areas ("DMAs").<sup>5</sup> Comcast answered the complaint on July 27, 2011, denying that it had violated the Condition or that Bloomberg was entitled to the relief it sought, and Bloomberg replied on August 30, 2011. On September

---

<sup>3</sup> See *Part Three: Overview of Progress on Voluntary Diversity Commitments*, Section D.

<sup>4</sup> See *Bloomberg L.P. v. Comcast Cable Communications, LLC*, Answer of Comcast Cable Communications, LLC, MB Docket No. 11-104 (Jul. 27, 2011), at ¶ 22.

<sup>5</sup> *Id.*, Complaint (Jun. 13, 2011).



27, 2011, Comcast moved for leave to file a surreply and tendered a copy of its filing. Bloomberg opposed Comcast's motion for leave on October 7, 2011, and Comcast replied on October 17, 2011.

### 3. New Independent Networks

*Requirement to launch 10 new independently owned-and-operated networks within eight years, eight of which are to be minority owned or controlled:* Comcast has already met the first, 18-month deadline for the launch of an independent network: BBC World News is now available on Comcast systems in Philadelphia, Chicago, Boston, Minneapolis, Indianapolis, Portland, Northern California, Michigan, and Western New England, and will launch in additional Comcast markets in 2012.

Comcast is also well on its way toward meeting and beating the next milestones under this Condition — the launch of two more channels within two years and one more within three years of the *Transaction Order* — while simultaneously satisfying its separate voluntary commitment with various third parties that a subset of the 10 independently owned-and-operated networks to be added would have Hispanic American or African American ownership or management.<sup>6</sup> On April 4, 2011, Comcast announced that it was seeking proposals for a Hispanic American operated independent network programmed in English to launch by the end of July 2012 and two majority African American owned independent networks that will launch by the end of January 2013.<sup>7</sup> The selection process for these networks began with a request for proposals which was prominently advertised online, in national magazines aimed at the African American and Hispanic American communities (e.g., *Black Enterprise* and *Hispanic Business*), and in trade publications like *Multichannel News* and *Broadcasting & Cable*. Interested parties were directed to visit a special section of the Comcast website to obtain more information about the proposal submission process.<sup>8</sup> Applications were accepted through June 1, 2011.

Comcast received close to 100 proposals for new independently owned-and-operated African American and Hispanic American networks. As explained in more detail in *Section Three: Overview of Progress on Diversity Commitments*, on February 21, 2012, and following a thorough evaluation process, Comcast announced that it had reached agreements to launch four independent owned-and-operated channel additions well within the time frames required

---

<sup>6</sup> See Memorandum of Understanding between Comcast Corporation, NBC Universal and the Hispanic Leadership Organizations at § 7(b); and Memorandum of Understanding between Comcast Corporation, NBC Universal and the African American Leadership Organizations at § 7(b)(i), included in the *Transaction Order* as Appendix G.

<sup>7</sup> See D. Jensen, Comcast Begins Effort to Launch 10 New Independent Networks, Comcast Voices Blog, <http://blog.comcast.com/2011/04/comcast-begins-effort-to-launch-10-independent-networks.html> (Apr. 4, 2011).

<sup>8</sup> The dedicated page was accessible at [www.comcast.com/diverseprogramming](http://www.comcast.com/diverseprogramming) (no longer active).

by the Conditions.<sup>9</sup> The two African American owned and operated channels are: *Revolt*, created by superstar and entrepreneur Sean “Diddy” Combs and MTV veteran Andy Schuon; and *Aspire*, created by sports legend and entrepreneur Earvin “Magic” Johnson and the Gospel Music Channel. For the Hispanic American selection, Comcast announced two Hispanic American owned and operated networks: *El Rey*, created by legendary Hollywood director Robert Rodriguez, whose filmography includes *Desperado*, *Spy Kids*, and *Machete*; and *Baby First Americas*, created by Spanish-language TV veteran Constantino “Said” Schwarz.<sup>10</sup>

#### 4. Program Carriage Complaints

*Procedure for bringing carriage complaints:* This section is administrative in nature.

### IV. ONLINE CONDITIONS

#### A. Online Program Access Requirements and Procedures

*Provision setting forth program access requirements that obligate the Company to provide its programming for online display by third parties in certain circumstances:* These online program access requirements apply primarily to NBCUniversal, because it holds the Company’s film and broadcast programming and the overwhelming bulk of the cable network assets, with the exception of five locally-focused and majority-owned Comcast programming networks that were not transferred from Comcast to NBCUniversal as part of the Transaction (the “Retained Networks”).<sup>11</sup> Because the online program access obligations are new and the guidelines complex, the Transaction Compliance Teams have spent significant time and effort training the relevant personnel with regard to the applicable requirements and have worked closely and regularly with outside counsel to ensure consistent guidance and approach.

During the Reporting Period, the Retained Networks have not received requests for online video programming distribution licenses from MVPDs or Online Video Distributors (“OVDs”) pursuant to this Condition. NBCUniversal, however, has received many such requests from OVDs for film, broadcast, and cable programming. Some OVDs have specifically sought to obtain online video programming distribution licenses under the terms of the Conditions. The majority of these OVDs have relied on the so-called “Benchmark Condition”.<sup>12</sup> A minority have sought a “Full Freight” or “MVPD Price” offer. In other cases, OVDs have made requests

---

<sup>9</sup> See Press Release: Comcast Announces Agreements with Four New Minority-Owned Independent Networks, <http://www.comcast.com/About/PressRelease/PressReleaseDetail.aspx?PRID=1155&SCRedirect=true> (Feb. 21, 2012).

<sup>10</sup> See Part Three: Overview of Progress on Diversity Commitments, Section D.

<sup>11</sup> The five Comcast Retained Networks are: Comcast Hometown Network (San Francisco, CA); C2 (Charleston, SC); Comcast Entertainment Television (Denver, CO); Comcast Television Network (Indiana and Michigan); and CN100 (Chicago, IL).

<sup>12</sup> See Part Two: Compliance with Specific Conditions, Section IV.2.b.



outside the context of the Conditions. In fact, NBCUniversal has negotiated and executed license agreements with several OVDs on mutually agreeable commercial terms without resort to the specific processes of the Conditions. For example, NBCUniversal has entered into publicly announced online display arrangements with several OVDs since the Transaction, including Amazon.com,<sup>13</sup> YouTube,<sup>14</sup> and Vudu.<sup>15</sup> In addition, NBCUniversal Domestic Television Distribution renewed and expanded its deal with Netflix to provide past and future seasons of hit shows such as *30 Rock* and *The Office* on a one-season delay basis. This agreement continues a relationship with Netflix that began in 2006. In addition, some OVD agreements, such as NBCUniversal's agreement with Hulu, were already in place before the close of the Transaction.

As of January 28, 2012, only one OVD had filed a formal demand for arbitration pursuant to the Commercial Arbitration Remedy established by the Conditions, and that demand was filed while NBCUniversal continued to make progress in good faith negotiations with the OVD.<sup>16</sup>

## **B. Exclusivity/Windowing**

*Restriction on the Company's ability to enter into or enforce provisions designed to limit online video distribution, except in certain circumstances:* The Transaction Compliance Teams, applicable business teams, and inside and outside counsel use the contract review process described in *Part One: Compliance Overview* to identify and review any exclusivity, windowing, or alternative distribution method ("ADM") requests in programming or carriage contracts that could limit online display of video programming. Personnel responsible for licensing programming throughout the Company routinely seek legal guidance before proposing or agreeing to any such provision. Preexisting and peer practices have also been carefully reviewed and tracked to provide necessary guidance concerning applicable exceptions.

---

<sup>13</sup> See Press Release: Amazon Announces Digital Video License Agreement with NBCUniversal Domestic TV Distribution, <http://phx.corporate-ir.net/phoenix.zhtml?c=176060&p=irol-newsArticle&ID=1590224&highlight=> (Jul. 28, 2011).

<sup>14</sup> See L. Martinez, *Telemundo, Mun2 Launch Dedicated YouTube Channels*, Multichannel News, [http://www.multichannel.com/article/474821-Telemundo\\_Mun2\\_Launch\\_Dedicated\\_YouTube\\_Channels.php](http://www.multichannel.com/article/474821-Telemundo_Mun2_Launch_Dedicated_YouTube_Channels.php) (Oct. 5, 2011).

<sup>15</sup> See T. Spangler, *Wal-Mart's Vudu to Conjure Up 10,000-Plus TV Shows*, Multichannel News, <http://www.multichannel.com/article/474251-Wal-Mart-s-Vudu-To-Conjure-Up-10-000-Plus-TV-Shows.php> (Sep. 22, 2011).

<sup>16</sup> As the Company explained in a February 17, 2012 letter to the Media Bureau, implementation of the Benchmark Condition has presented significant challenges when OVDs invoking it have resisted sharing the peer deals on which they were basing their request. Failure to share peer deals has essentially made it impossible for NBCUniversal to make progress in good faith negotiations with OVDs seeking to invoke the Benchmark Condition. The Company has sought the Bureau's guidance on the procedures for implementation of the Condition to ensure timely compliance by NBCUniversal while providing appropriate confidentiality assurances to OVDs and peers.

Exclusivity, windowing, and ADM provisions are common practice in the industry, as Netflix recently explained to investors,<sup>17</sup> and are often pro-competitive, as the Department of Justice acknowledged in its review of the Transaction.<sup>18</sup> Exclusive licensing deals are regularly sought by programmers and programming providers doing business with the Company. Nevertheless, as a result of the Condition, and notwithstanding an allowance for regular industry practice in certain circumstances, the Company has on several occasions rejected or significantly narrowed provisions of this type.

### **C. Continued Access to Online Content and Hulu**

#### **1. Continued Programming on NBC.com**

*Requirement to continue to provide equivalent programming on NBC.com on equivalent terms and conditions:* During the Reporting Period, NBC.com maintained programming of the equivalent type, quantity, and quality as provided by the site on the date of the *Transaction Order*, and on equivalent terms and conditions.

#### **2. Preexisting OVD Deals**

*Obligation to honor any agreement or arrangement entered into before the date of the Transaction Order providing rights to online video programming:* Preexisting licenses for online display of programming have not been terminated and will be honored until the close of their existing terms, absent material breach by the licensee.

#### **3. Provision of Content to Hulu**

*Requirement that NBCUniversal renew its agreements with Hulu on substantially the same terms and conditions as the other two content partners (Disney-ABC Television Group and Fox Entertainment Group):* As has been publicly reported, the continuity of Hulu's ownership was in question during a significant portion of the Reporting Period, while the owners not affiliated with the Company attempted to sell Hulu. Nevertheless, as is evident on the face of the service, all three content provider-owners have continued to provide content to Hulu comparable to the content provided before the close of the Transaction, and the parties' interactions in this regard have been conducted in accordance with the provisions of this Condition.

---

<sup>17</sup> See Netflix Q3 2011 Letter to Investors, [http://ir.netflix.com/common/download/download.cfm?companyid=NFLX&fileid=511277&filekey=85b155bc-69e8-4cb8-a2a3-22465e076d77&filename=Investor Letter Q3 2011.pdf](http://ir.netflix.com/common/download/download.cfm?companyid=NFLX&fileid=511277&filekey=85b155bc-69e8-4cb8-a2a3-22465e076d77&filename=Investor+Letter+Q3+2011.pdf) (Oct. 24, 2011) ("Our recent agreements with AMC and the CW will assure the flow of exclusive — and addictive — prior season serialized television in the coming years.... In television, by contrast, the networks (ABC, FX, etc.) have long relied on exclusive content to differentiate among themselves. As video moves online, so too has this practice of exclusive content.").

<sup>18</sup> *United States of America, et al. v. Comcast Corp., et al.*, Competitive Impact Statement, Case 1:11-cv-00106 (Jan. 18, 2011), at 35.

The requirement that NBCUniversal either renew its existing agreements or track those of the other two content provider-owners has proved extremely complicated in practice. To review its options and compare and evaluate the alternatives, NBCUniversal would need to review the other parties' agreements; this presents a significant challenge that will have to be navigated in order to facilitate compliance.

#### **4. Relinquishment of Control over Hulu**

*Obligation to convert NBCUniversal's interest in Hulu to one that is purely economic:* The Company has taken the action necessary to change NBCUniversal's interest in Hulu to a purely economic interest. A letter evidencing this change was submitted to the Commission on February 22, 2011.<sup>19</sup>

#### **D. Standalone Broadband Internet Access Service ("BIAS")**

##### **1. Provision of Standalone BIAS**

*Requirement to provide BIAS on a standalone basis and to offer a new 6 Mbps down service at no more than \$49.95 per month:* Comcast offers on a standalone basis, and at reasonable prices, any tiers of BIAS that it offers on a bundled or multi-product basis. Within approximately 30 days after the *Transaction Order* was released, Comcast launched a new BIAS tier of 6 Mbps down priced at \$49.95 per month known as "Performance Starter." The terms and conditions of service and service characteristics — e.g., the usage cap and congestion management — for each of Comcast's standalone BIAS offerings are equivalent to those that apply to comparable BIAS tiers offered in Comcast's multi-product or bundled offerings.

##### **2. Visibly Offer and Actively Market Retail Standalone BIAS**

*Obligation to visibly offer and actively market standalone retail BIAS:* Comcast has and continues to visibly offer and actively market retail standalone BIAS. Comcast regularly promotes standalone BIAS in its general marketing efforts, referencing the standalone BIAS options in advertisements and other promotional materials. Comcast supplemented its normal practices during the Reporting Period with a major advertising campaign for its standalone BIAS offerings, including a significant promotional offer for the Performance Starter service. During the course of the campaign, Comcast offered the Performance Starter tier — normally \$49.95 per month — for \$29.99 per month for a six-month promotional period. Comcast has ensured that standalone BIAS offerings, including Performance Starter, appear with prominence equal to that of bundled offerings on any call center screen.

---

<sup>19</sup> See Letter from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56 (Feb. 22, 2011).

Comcast also has provided extensive training to its customer sales representatives regarding standalone BIAS options, including, most recently, training to offer the Performance Starter tier.

Finally, Comcast provides a linkable web page devoted exclusively to describing (*e.g.*, price and speed) and permitting online purchase of all retail standalone BIAS offerings, including Performance Starter.<sup>20</sup>

### **3. BIAS Annual Report**

*Requirement that Comcast file a report regarding its compliance with Condition IV.D.1 annually and upon any standalone BIAS price adjustment:* Comcast filed annual reports on its standalone BIAS and those of its competitors on February 22, 2011 and February 22, 2012.<sup>21</sup>

## **E. Other BIAS Conditions**

### **1-2. Specialized Service Requirements**

*Requirements that apply should Comcast offer a “Specialized Service” that includes its own or third party content:* Comcast is not offering any “Specialized Services” as described in Condition IV.E. The Company will comply with the applicable requirements for any such services should they be offered by the Company.

### **3. 12 Mbps Offering**

*Obligation to offer a BIAS tier of at least 12 Mbps down in all Comcast DOCSIS 3.0 markets:* A “Performance” service tier with at least 12 Mbps download speeds is offered across Comcast’s entire DOCSIS 3.0 footprint and has been throughout the Reporting Period.

## **F. “Specialized Service” on Comcast Set-Top Boxes (“STBs”)**

*Provision noting that the requirements of Condition IV.E.1 and 2 will apply should Comcast STBs enable access to a “Specialized Service”:* Because Comcast is not offering any “Specialized Services” as described in Condition IV.E, this Condition does not apply. Comcast will comply with the applicable requirements for any such services should they be offered in the future.

---

<sup>20</sup> See <http://www.comcast.com/Corporate/Learn/HighSpeedInternet/new-highspeedinternet.html>.

<sup>21</sup> See Letter from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56 (Feb. 22, 2011); and Letter from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56 (Feb. 22, 2012).

## **G. Unfair Practices**

*Prohibition on unfair methods of competition, retaliation, and improper influence:* The requirements of this Condition are consistent with the Company's ordinary business practices and have been fully complied with.

## **V. NOTICE OF CONDITIONS**

*Requirement that the Company provide notice of the Conditions to OVDs, MVPDs and video programming vendors in connection with expiring agreement or new requests:* In response to new requests for carriage or programming, or expiring agreements, the Company provides the requesting party with a copy of the Conditions by e-mail. Comcast employs two forms of notice: one for programmers who make a first-time request or initiate discussions regarding carriage of their programming and another for use in advance of the expiration of existing carriage agreements. Similarly, NBCUniversal uses three notice templates: one general form for use with first time requests or soon-to-expire existing licenses; a general form for NBCU Networks Distribution to MVPDs or OVDs; and a modified form that includes language covering ongoing discussions for additional NBCUniversal content. All notice templates include a copy of the Conditions in PDF format.

This Condition has required detailed tracking of contract expiration dates across thousands of agreements, identification of first-time carriage requests, and tracking of days passed from such requests, as well as related record-keeping. By the end of 2011, NBCUniversal had distributed 800-plus notices of the Conditions to MVPDs, video programming vendors, and OVDs, and Comcast had distributed approximately 560 notices to programmers.

## **VI. REPLACEMENT OF PRIOR CONDITIONS**

*Provision replacing Adelphia arbitration procedures:* This Condition is administrative in nature.

## **VII. COMMERCIAL ARBITRATION REMEDY**

*Procedures for arbitration:* This Condition is administrative in nature; however, to the extent that the Company has engaged in arbitration pursuant to the Conditions to date, these procedures have governed.

## **VIII. MODIFICATIONS TO AAA RULES FOR ARBITRATION**

*Modification of the American Arbitration Association's rules:* This Condition is administrative in nature.<sup>22</sup>

---

<sup>22</sup> See Part Two: Compliance with Specific Conditions, Section VII.

## **IX. BROADCAST CONDITIONS**

*Requirement to comply with Sections 2, 3, and 7 of the June 3, 2010 Agreement between Comcast Corporation, NBC Universal, Inc. and the NBC Television Affiliates (the “NBC Affiliates Agreement”), and with all of the terms of the June 21, 2010 Agreement between Comcast Corporation and the ABC Television Affiliates Association, the CBS Television Network Affiliates Association, and the FBC Television Affiliates Association (the “ABC, CBS and Fox Affiliates Agreement”):* Separate and apart from this Condition, the Company remains bound by and committed to these agreements. The Condition’s extension of the duration of certain provisions of the NBC Affiliates Agreement is irrelevant at this time since the initial term is still in effect.

In keeping with the requirements of the Conditions and the underlying agreements, the Company maintains the independence of its cable and broadcast businesses, ensuring, among other things, that NBCUniversal negotiates retransmission consent for its owned NBC and Telemundo television stations with non-Comcast MVPDs, independently, without the influence or participation of the Comcast Cable business (*see* Section 3 of the NBC Affiliates Agreement), and that Comcast Cable independently negotiates retransmission consent with ABC, CBS, Fox, and non-NBCUniversal owned NBC affiliates without the influence or participation of the NBCUniversal broadcast business (*see* Sections 2 through 6 of the ABC, CBS and Fox Affiliates Agreement). Where such negotiations have occurred to date, the independence requirements have been properly observed. The Company has also abided by its affiliate market integrity obligations under Section 7 of the NBC Affiliates Agreement.

Finally, the Company has maintained major sporting events on the NBC Network, as the Company committed in Section 2 of the NBC Affiliates Agreement, which is incorporated into this Condition.

## **X. DIVERSITY CONDITIONS**

### **1. Telemundo Multicast Channel**

*Requirement that the Company launch a new multicast channel on its Telemundo Station Group stations by January 28, 2012, and make this programming available to Telemundo affiliates:* On January 9, 2012, Telemundo launched Exitos TV, a new network on Telemundo’s multicast spectrum which broadcasts telenovela programming from Telemundo’s library across the 15 stations that compose the Telemundo Station Group. As the Condition requires, Exitos TV has been made available to the 14 Telemundo-affiliated broadcast stations not owned by NBCUniversal. On Sunday mornings, Exitos TV carries three hours of children’s Educational/Instructional (“E/I”) programming, including *Dudley the Dragon*, *A.J.’s Time Travelers*, and *Salsa*.



## **2-3. Telemundo and mun2 Programming on Comcast On Demand (“VOD”) and Online**

*Requirement that the Company use its VOD and online platforms to feature Telemundo programming and increase the number of Telemundo and mun2 VOD programming choices from 35 to 100 choices within 12 months and by an additional 200 choices within 3 years:* As of August 2011, the number of Telemundo and mun2 VOD programming choices available on Comcast’s central VOD storage facilities had been increased to 135 choices, surpassing the requirements of the Condition. The 300 choice milestone does not occur until 2013 and will be included in that year’s report. Telemundo VOD choices have included full-length episodes of popular Telemundo programming like *12 Corazones*, *Caso Cerrado*, *La Casa de al Lado*, *Mi Corazón Insiste*, *Decisiones* and *Pa’lante con Cristina*, while mun2 VOD choices have included full-length episodes of *From Beyond* as well as numerous clips of the most-watched performances from the *2011 Alma Awards* and the *2011 Mexican Billboard Awards*.

Telemundo programming is also available online on Comcast’s XfinityTV.com Hispanic American microsite (<http://xfinitytv.comcast.net/specials/latino>) under the “Networks” heading.<sup>23</sup> XfinityTV.com currently offers ~70 choices of Telemundo programming, including full-length episodes of the popular telenovelas *Relaciones Peligrosas* and *Mi Corazón Insiste*.

In addition, the Company has continued expanding its online offering of full-length Telemundo and mun2 programming. Telemundo offers over ~40 long-form programs on its online video portal,<sup>24</sup> including episodes of its popular telenovelas *Aurora*, *¿Dónde Está Elisa?*, and *La Reina del Sur*. This content has made Telemundo.com one of the top three television network websites across several key categories and the number one Hispanic broadcaster site in viewer engagement.<sup>25</sup> As for mun2, its [www.mun2.tv/video](http://www.mun2.tv/video) portal features full-length episodes of popular mun2 original programs such as *Las Aparicio*, *Sesiones*, and *2RSLVJ*, among thousands of additional choices.

## **4. New Weekly Business Program**

*Obligation to work with an independent producer to produce a new weekly business news program:* In order to fulfill its obligation to launch a new weekly business news program in 2011, the Company committed to support the United States Hispanic Chamber of Commerce (“USHCC”)’s independent production of new episodes of its show, *Hispanic Business Today: American Success Stories*. The program, conducted in English and syndicated in 45 markets, showcases how Hispanic entrepreneurs and local Hispanic chambers of commerce are boosting economic development by facilitating business contacts and creating jobs.

<sup>23</sup> See <http://xfinitytv.comcast.net/tv-networks/Telemundo-Network-Group%2C-LLC/80/main> (direct link).

<sup>24</sup> See <http://msnlatino.telemundo.com/videos/allprograms>.

<sup>25</sup> See Press Release: Telemundo.com Ranks in the Top Three Most Engaged Video Experiences among All TV Networks in July, <http://www.nbcumv.com/mediavillage/networks/telemundo/pressreleases?pr=contents/press-releases/2011/08/23/telemundocomran1314130741386.xml> (Aug. 23, 2011).

At the request of the USHCC, the Company made a financial contribution to underwrite the production of new episodes. The Company also provided relationship assistance to the USHCC to enhance distribution opportunities for the program in key markets and will continue to provide additional distribution support based upon its experience and contacts in the industry.

## **5. Independent Programming Reports**

*Requirement to file quarterly reports concerning the independent programming aired by the Company's owned or controlled stations and programming networks:* During the Reporting Period, Comcast filed four quarterly reports with the Commission containing information on the independent programming aired by each of the Company's owned or controlled stations and programming networks during the previous three months. The reports were filed on the following dates: May 11, 2011 (first quarter); July 11, 2011 (second quarter); October 17, 2011 (third quarter); and January 17, 2012 (fourth quarter). The reports were posted and remain available at [www.comcast.com/independentprogramming](http://www.comcast.com/independentprogramming), and each reporting station or network maintains a link on its website to the report landing page on Comcast.com or makes the report available on its own website. While the Condition establishes no target, it is worth noting that, as detailed in the reports, the Company collectively aired approximately 127,976 hours and 30 minutes of independent programming during the Reporting Period, an average of over 31,000 hours per quarter.

## **XI. LOCALISM**

### **1. News, Public Affairs, and Other Local Public Interest Programming**

*Obligation to "preserve and enrich the output of local news, local public affairs, and other public interest programming" through the use of certain windows on the NBCUniversal-owned stations, time slots on the cable channels, and Comcast VOD and online platforms:* Preserving and enriching the output of local news and public interest programming has been a top priority for the Company. As described in *Part Two: Compliance with Specific Conditions*, Sections XI.1.a-c, the Company not only preserved the level of local news output aired at the time of the close of the Transaction, but also made considerable, long-term investments in the local news operations, including the most significant expansion in recent years of the news departments at the stations that compose the NBC Owned Television Stations and the Telemundo Station Group divisions.

Comcast also made several highly-publicized launches of new local and public interest content on its respective VOD and online platforms. *Missing Kids* launched on VOD across Comcast's footprint and online at [www.xfinity.com/news/missingkids](http://www.xfinity.com/news/missingkids) in January 2011.<sup>26</sup> Content in this section of Comcast's VOD service features profiles of missing children from all

<sup>26</sup> See Press Release: New Comcast Missing Kids On Demand and Online Service Brings Missing Children Information to Millions of Consumers, <http://www.comcast.com/about/pressrelease/pressreleasedetail.ashx?SCRedirect=true&PRID=1036> (Jan. 27, 2011).



across the nation. *Missing Kids* is a first-of-its-kind public service initiative in partnership with the National Center for Missing & Exploited Children. Starting in October 2011, *Missing Kids* content was also made available through the news section of the website maintained by each station in the NBC Owned Television Station division. Comcast also debuted *Xfinity High School Sports* in eight markets: Atlanta, Chicago, Houston, Indianapolis, San Francisco, Seattle, Pittsburgh, and Miami. All games are available any time of the day or night via Comcast's VOD platform, which is available to Xfinity customers at no additional charge.<sup>27</sup> In addition, 24 Comcast markets now have VOD access to *Comcast Newsmakers*, which are short-form interview segments that provide a unique platform for local, state, and federal officials, as well as community leaders, to share their thoughts on current events and issues of interest with local viewers. These segments also air on CNN Headline News at :24 and :54 minutes past the hour across the Comcast footprint.

Comcast's VOD platform also hosted public interest programming as part of its celebration of Black History Month, Asian Pacific American Heritage Month, LGBT (lesbian/gay/bisexual/transgender) Pride Month, and Hispanic Heritage Month.<sup>28</sup>

a. Preservation of Current Levels of NBC and Telemundo News and Information Programming

*Prohibition on reduction of current level of news and information programming on the stations that compose the NBC Owned Television Stations and Telemundo Station Group divisions:* The NBC and Telemundo television stations owned by the Company did not reduce their level of news and information programming from the amount aired in the year preceding the close of the Transaction. To the contrary, as detailed below, the NBC Owned Television Stations and the Telemundo Station Group divisions expanded their news and information content with newscasts and other programming launched during the Reporting Period.

b. Increased Investment in NBC Local News

*Obligation to expand newscasts at the stations that compose the NBC Owned Television Stations division:* On October 31, 2011, the Company announced a number of enhancements at the 10 local stations that compose the NBC Owned Television Stations division that are the result of a major investment by the Company to further strengthen the newsgathering operations at the stations and ensure they have the resources necessary to effectively compete in their markets.<sup>29</sup> The investments, most of which took place during the Reporting Period, include:

---

<sup>27</sup> See Press Release: Comcast Hometown Network (Channel 104) to Air 24 High School Basketball Games in 2012, <http://comcastcalifornia.mediaroom.com/index.php?s=43&item=538> (Jan. 4, 2012).

<sup>28</sup> See Part Three: Overview of Progress on Voluntary Diversity Commitments, Section II.D.

<sup>29</sup> See Press Release: NBCUniversal Makes Major Investment in NBC Owned TV Stations, <http://www.nbcuni.com/corporate/newsroom/nbcuniversal-makes-major-investment-in-nbc-owned-tv-stations> (Oct. 31, 2011); and related blog post, <http://www.nbcudirect.com/nbcownedstations103111/> (Oct. 31, 2011).

- Hiring more than 130 people across all 10 stations, primarily in the news departments, including reporters, producers, and photographers.
- Establishing investigative and/or consumer units in five markets, including NBC 4 Washington.
- Adding 15 new vehicles to the current fleet as well as upgrading 14 more vehicles with live news capabilities.
- Purchasing 20 new cameras and other new equipment.
- Building new sets and/or studios at four stations, including NBC 4 New York.
- Adding or increasing the hours of helicopter coverage in several markets.
- Restoring the promotions departments at all 10 stations. These departments promote local newscasts; a function previously centralized in New York City.

c. Increased Investment in Telemundo Local News

*Obligation to increase investment in the Telemundo Station Group's locally-produced newscasts, over three years:* In addition to the programming expansion described in *Part Two: Compliance with Specific Conditions*, Sections XI.2-3.b, on August 8, 2011, the Telemundo Station Group announced a multi-million dollar investment in upgrading local technical infrastructure at its top Hispanic market stations to give them local high-definition news production capability.<sup>30</sup>

**2-3. 1,000 Hours of Additional Local News and Information**

As detailed below, the Company exceeded its year-one target to launch an expanded schedule of local news and information programming at the stations that compose the NBC Owned Television Stations and Telemundo Station Group divisions.

a. NBC Owned Television Stations

*Requirement that the stations that compose the NBC Owned Television Stations division produce an additional 1,000 hours per year of original, local news and information programming to air on multiple platforms:* During the Reporting Period, the Company scheduled and began producing and airing what will amount to close to 2,000 hours of additional local news programming per year at the 10 stations that compose the NBC Owned Television

<sup>30</sup> See J. Eggerton, *Telemundo: We're Delivering on Comcast Promise*, Multichannel News, [http://www.multichannel.com/article/472082-Telemundo\\_We\\_re\\_Delivering\\_on\\_Comcast\\_Promise.php](http://www.multichannel.com/article/472082-Telemundo_We_re_Delivering_on_Comcast_Promise.php) (Aug. 8, 2011).

Stations division — exceeding the Condition’s requirement by nearly 100%. A recent report issued by the Commission noted that NBCUniversal’s expansion is one of the only “two exceptions to the general trend” of declining investment in local news networks.<sup>31</sup>

The expansion was accomplished primarily by expanding local newscasts on the stations; primary channels and rolling out NBC Nonstop channels to more markets. The nearly 2,000 hours of new news programming breaks down as follows: more than 1,200 hours will be aired on the primary channel of the stations that compose the NBC Owned Television Stations division, while the remaining hours are being aired on the NBC Nonstop channels.

The launch schedule for the new programming by the NBC Owned Television Stations division included:

- May 2011: NBC 6 Miami extended its evening news coverage with a new hour-long weekday newscast at 5:00 PM; NBC 5 Dallas-Fort Worth added a half-hour of local weather coverage weekdays at 4:30 AM
- August 2011: NBC 4 New York launched a new hour-long 5:00 PM newscast.
- September 2011: Rolled out new 30-minute mid-day newscasts on NBC 4 Los Angeles, NBC 5 Chicago, NBC 10 Philadelphia, NBC 5 Dallas-Fort Worth, NBC Bay Area, and NBC 7 San Diego; Began a 30-minute newscast at 4:30 AM at NBC 10 Philadelphia.
- October 2011: NBC 6 Miami added two hours of weekend news.
- January 2012: NBC Connecticut added 90 minutes of weekend news.

In May 2011, the NBC Owned Television Stations division also rolled out new Nonstop channels in five additional markets: Dallas-Fort Worth, Miami, and its three California stations in Los Angeles, the San Francisco Bay Area, and San Diego.<sup>32</sup> Nonstop channels are round-the-clock channels that air on nine of the 10 stations’ digital multicast channels and are also carried by local cable systems. In 2011, most Nonstop channels featured a nightly local newscast, which aired five nights a week and was designed to complement and expand the evening coverage already provided by the news team at each station. In the case of California’s Nonstop Channel — which combines the resources of the three local stations NBC 4 Los Angeles, NBC Bay Area, and NBC 7 San Diego — each local station produced and aired its own newscast in its respective market.

---

<sup>31</sup> See S. Waldman, et al., FCC, *The Information Needs of Communities: The Changing Media Landscape in the Broadband Age*, at 108-09 (Jul. 2011).

<sup>32</sup> See Press Release: NBC Owned-And-Operated Stations To Expand New, Locally-Produced News, Information and Public Affairs Programming, <http://www.nbcuni.com/corporate/newsroom/nbc-owned-and-operated-stations-to-expand-new-locally-produced-news-information-and-public-affairs-programming> (May 12, 2011).

b. Telemundo Station Group

*Requirement that at least six of the stations that compose the Telemundo Station Group division collectively produce an additional 1,000 hours per year of original, local news and information programming:* During the Reporting Period, the Company scheduled and began producing and airing what will amount to more than 1,200 hours of additional local news programming per year at the Telemundo Station Group stations — exceeding the Condition's requirement by more than 20%.<sup>33</sup>

The launch schedule for the new programming was executed as follows:

- June 2011: *Buenos Días Los Angeles* was re-launched on Telemundo Los Angeles at 6:00 AM. The new hour-long program, which airs Monday through Friday, offers the latest local, national, and world news, as well as weather and traffic reports, and features special segments tailored to the specific interests of Southern California's Hispanic viewers.
- October 2011: Telemundo Denver launched a pair of weekday, half-hour newscasts at 5:00 PM and 10:00 PM.
- November 2011: Telemundo launched a monthly Sunday public affairs show in the style of *Meet the Press* in New York, Miami, Chicago, Dallas, Phoenix, and the Bay Area. This programming helps viewers understand the key role played by Hispanics in the U.S. It also stresses the importance of participation in the political process as the 2012 election approaches.
- January 2012: Telemundo Houston launched *Buenos Días Houston*, featuring a format modeled on *Buenos Días Los Angeles* and *Buenos Días Miami*, including local, national and world news; weather and traffic reports; and special segments tailored to the unique interests of Houston's Hispanics community.
- January 2012: Launched a half-hour weekly local public affairs program in Telemundo Los Angeles and an hour-long local public affairs program in Telemundo Puerto Rico.
- January 2012: Half-hour local weekend newscasts launched at 6:00 PM and 11:00 PM on Telemundo New York, as well at 5:00 PM and 10:00 PM on Telemundo Dallas. Telemundo Puerto Rico launched a daily mid-day news program at 11:00 AM.

<sup>33</sup> See Press Release: Telemundo Station Group Announces 25% Increase in Local News and Public Affairs Programming at Owned TV Stations, <http://telemundomediakit.com/2011/08/08/telemundo-station-group-announces-25-increase-in-local-news-and-public-affairs-programming-at-owned-tv-stations/> (Aug. 8, 2011).

#### **4. News and Information Programming Reports**

*Requirement to file quarterly reports regarding the news and information programming aired on the stations that compose the NBC Owned Television Stations and the Telemundo Station Group divisions:* Together with the independent programming reports described in *Part Two: Compliance with Specific Conditions*, Section X.5, the Company has filed four quarterly reports with the Commission containing information on the news and information programming aired by the stations that compose the NBC Owned Television Stations and the Telemundo Station Group divisions. The reports were filed on the following dates: May 11, 2011 (first quarter); July 11, 2011 (second quarter); October 17, 2011 (third quarter); and January 16, 2012 (fourth quarter). The reports were posted and remain available at [www.comcast.com/newsprogramming](http://www.comcast.com/newsprogramming) and each reporting station or network maintains a link on its website to the report landing page on Comcast.com. While the Condition establishes no target, it is noteworthy that, as detailed in the reports, the stations that compose the NBC Owned Television Stations and the Telemundo Station Group divisions collectively aired approximately 26,704 hours and 16 minutes of news and information programming during the Reporting Period, an average of 6,676 hours per quarter.

#### **5. Non-Profit News Partners**

*Requirement that half of the 10 stations that compose the NBC Owned Television Stations division establish cooperative arrangements with locally focused non-profit news organizations:* Attached as Appendices A and B and incorporated by reference are the reports filed on July 28, 2011 and January 30, 2012 pursuant to and reporting compliance with this Condition.<sup>34</sup> Those reports describe NBCUniversal's request for proposals from non-profit news organizations; the criteria used to evaluate each proposal; and the selection of the non-profit news organizations, as required under this Condition. As the January 2012 filing describes, the selected non-profit news organizations and the stations with which they have partnered are: (1) Pro Publica and NBC 4 New York; (2) The Chicago Reporter and NBC 5 Chicago; (3) WHYY and NBC 10 Philadelphia; and (4) KPCC Southern California Public Radio and NBC 4 Los Angeles. These partnerships join the existing arrangement between NBC 7 San Diego and the VoiceofSanDiego.org to bring the total of such partnerships to five. As required by Condition XI.5.f, copies of both reports were posted and remain available for public viewing on the homepage of each of the 10 stations that compose the NBC Owned Television Stations division.

#### **6. More VOD Choices at No Additional Cost**

*Obligation to continue providing at least 15,000 VOD choices at no additional charge to Comcast customers:* Throughout the Reporting Period, the total number of VOD choices

---

<sup>34</sup> See Letter from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Comcast Corporation to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56 (Jul. 28, 2011) and Letter from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Comcast Corporation to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56 (Jan. 30, 2012).

available at no additional charge to Comcast customers averaged 24,000 a month, an increase from the 15,000 choices available before the close of the Transaction.

## **7. Broadcast Content on VOD**

*Obligation to make available certain broadcast content at no additional charge on Comcast's VOD service:* Comcast has continued to make available broadcast content on VOD to its customers at no additional charge. In fact, since the close of the Transaction, Comcast has expanded its VOD broadcast content by 120 choices and, in a major first, Comcast's VOD service became the only VOD service that offers programming from all four major broadcast networks as soon as the day after it airs.<sup>35</sup>

## **XII. JOURNALISTIC INDEPENDENCE**

*Requirement that the Company continue NBCUniversal's policy of journalistic independence:* The NBCUniversal News Ombudsman remains in place and has authority over the broad array of journalism-related issues that may arise. David McCormick was appointed to the role of NBC News Ombudsman in 1993 and continues to serve in that role. In addition, in 2011, his role was expanded to provide counsel on news standards to NBCUniversal's other newsgathering entities. Mr. McCormick provides an effective assurance that the policy of independence for NBCUniversal's news operations is steadfastly maintained. Mr. McCormick is also Vice President of Standards at NBC News, and as such is responsible for maintaining and updating the network's standards manual for broadcast news, conducting seminars about journalistic standards, and handling complaints before and after the airing of news programming. In January 2012, Mr. McCormick announced the hiring of Kevin Keeshan as Ombudsman for NBC News assigned to the NBC Owned Television Stations division. Mr. Keeshan is charged with ensuring that the high standards for news gathering and reporting set by NBC News are applied consistently across all 10 stations that compose the NBC Owned Television Stations division.

Comcast explained this Condition during the initial training sessions described in *Part One: Compliance Overview*. To further ensure NBCUniversal's independence on news-related matters, Comcast adopted and promulgated a policy of news independence for the news programming organizations of all NBCUniversal networks and stations. That policy provides in relevant part:

NBC News Policy requires that the NBCUniversal news organizations treat Comcast, our various divisions, subsidiaries, products and services in the same manner as any other company, product or service. Consistent with this policy, neither Comcast nor any of our joint venture partners will receive, should expect to receive, or should seek to receive different or special treatment of any kind. Comcast employees should not ask any

---

<sup>35</sup> See Press Release: Comcast First to Offer Current Top-Rated TV Series from All Four Major Broadcast Networks On Demand, <http://www.comcast.com/About/PressRelease/PressReleaseDetail.aspx?PRID=1074> (Apr. 27, 2011).



NBCUniversal news organization to investigate, develop, broadcast or report stories about Comcast, our products or services or any other subject whatsoever.

A copy of this policy was distributed by e-mail to Comcast and NBCUniversal business leaders for further distribution to appropriate employees, posted on Comcast's intranet site on August 16, 2011, and added to Comcast's policy database for reference by all employees.

### **XIII. CHILDREN'S PROGRAMMING**

#### **1. Additional Children's VOD and E/I Programming**

a-b. *Requirement to add an additional 500 VOD programming choices appealing to children and families to Comcast's central VOD storage facilities by year-one and an additional 1,000 choices by year-three:* During the Reporting Period, Comcast increased children's VOD programming by approximately 1,000 choices, exceeding the year-one commitment by 500 choices, or 100%. Total children's VOD programming choices now average 3,000 per month and include the following new offerings: *CBeebies On Demand* (~100 choices a month); *LEGO TV* (~10 choices a month); family movie reviews and tips (~64 choices per month); and additional kids stunted programming (800 choices in 2011). In addition, Comcast has provided its authenticated subscribers with access to most of these additional VOD programs through XfinityTV.com to the extent it had the rights to do so. Because Comcast exceeded the Condition's year-one target by approximately 500 choices, Comcast is already well on its way to achieving the separate year-three target of adding another 1,000 additional choices of children's VOD programming.

c. *Obligation to provide one additional hour per week of children's "core" E/I programming:* Beginning October 28, 2011 (*i.e.*, within nine months after the close of the Transaction, as the Condition requires), all 10 stations that compose the NBC Owned Television Stations division began airing an additional (fourth) hour of children's E/I programming every week on their multicast channels. As the Condition requires, the multicast channels used by all 10 stations are distributed to more than 50% of the television households within each station's DMA. Specifically, the stations that compose the NBC Owned Television Stations division began airing *Bo on the Go* and *Poppets Town* on Saturday mornings on the digital multicast channels. On that same date, the Telemundo Station Group also began airing an additional hour of E/I programming every week on each station's primary channel. The additional programming consisted of *La Casa de Wimzie* (*Wimzie's House*), an award-winning, hour-long program for pre-schoolers, which aired on Saturdays and Sundays at 9:30 AM on all 15 stations that compose the Telemundo Station Group division, as well as on Telemundo's 14 affiliates.

#### **2. Ratings Icons and Parental Controls**

##### **a. Improved Ratings Icons**

*Requirement that the Company provide clear and understandable on-screen TV ratings information for all original entertainment programming on its broadcast and cable networks in*

*compliance with the cable industry’s best-practice standards:* By April 28, 2011 (*i.e.*, within 90 days after the close of the Transaction, as the Condition requires), the NBC Network launched improved TV ratings icons that are 50% larger than the previous icons (*see* Table 1 below) and use high contrast background-to-foreground color combinations.

**Table 1**

Beginning of Program		After Commercial Breaks	
High Definition	Standard Definition	High Definition	Standard Definition
362 x 293 pixels	136 x 106 pixels	287 x 189 pixels	108 x 84 pixels

In addition, all ratings icons, including the post-commercial break events, are displayed on screen for 15 seconds. By that same date, all NBCUniversal networks had, consistent with the cable industry’s best practices, deployed the improved television ratings icons. The Retained Networks likewise have added the ratings icons in the same manner.<sup>36</sup>

**b. Improved Parental Controls**

*Requirement that the Company provide improved parental controls for Comcast program guides and STB applications:* Comcast’s legacy STBs already feature a best-in-class suite of parental controls, including a single “Parental Controls” home page in the interactive programming guide (“IPG”) that puts all options in one location. These parental controls enable blocking of television programming both by content (language, violence, etc.) and by rating. For example, subscribers can hide the titles of Adult, or Adult and TV-MA, rated programming so that the program names and descriptions do not appear in the program listings.

During 2011, Comcast deployed IPG upgrades to further enhance the functionality of its parental controls. These upgrades enhanced third-party application support and improved performance of the existing IPGs. The upgraded controls were rolled out to 100% of Comcast’s markets that utilize Motorola STBs before the end of 2011. By the end of 2011, Comcast had deployed upgrades to parental control features to 98% of its markets that utilize Cisco STBs, with the remaining 2% completed in February 2012.<sup>37</sup>

**c. Parental Dashboard**

*Obligation to provide a parental dashboard that places all parental controls in one place, and white listing capabilities on tru2way boxes, by the end of 2013:* The parental dashboard deadline occurs in 2013 and will be included in that year’s report.

<sup>36</sup> It is not clear that the Condition was intended to apply to these networks, which are not nationally distributed and air a high percentage of programming exempt from ratings icon requirements.

<sup>37</sup> Upgrades to two percent of the Motorola boxes were delayed by a known software defect identified by the manufacturer and since remediated.



d. Blocking Capabilities of IP-based STBs

*Obligations to provide parental controls and blocking capabilities for IP-based STBs:*  
This Condition is triggered by Comcast’s launch of IP-based STBs, which has not yet occurred. Comcast will comply with this Condition when it launches IP-based STBs.

e. Online Ratings Icons

*Obligation to include program ratings information in the Company’s produced or licensed programming that the NBC networks provide to nbc.com, to other NBCUniversal websites, and to Hulu.com:* By October 28, 2011 (i.e., within nine months after the close of the Transaction, as the Condition requires), all of the programming provided by the “NBC networks” to NBCUniversal websites included online program ratings information. The relevant websites are listed in Table 2 (below):

Table 2

NBC.com	Bravo.com	Oxygen.com	Syfy.com
USAnetwork.com	CNBC.com	NBCsports.com	Telemundo.com
mun2.tv	Eonline.com	ExerciseTV.com	G4tv.com
MyStyle.com	SproutOnline.com	Hulu.com	XfinityTV.com

**3. Partnership with Common Sense Media (“CSM”)**

*Requirement to expand the Company’s partnership with organizations offering enhanced information to help guide family viewing decisions:* In 2011, the Company continued to foster its partnership with CSM as part of its efforts to provide parents with information to help them make educated viewing decisions for their families. Initiatives undertaken by Comcast include:

- Offering an expanded library of CSM content, including thousands of review videos, tip videos, ratings, and recommendations that are integrated with Comcast’s VOD service. For example, in June 2011, Comcast launched a new editorial area for kids’ content called “Kids Picks,” which resides in the Comcast VOD “Kids” folder. CSM has permanent placement inside the “Kids Picks” folder, which means that there will always be CSM content among the monthly editorial selection of children-appropriate VOD choices. In addition, the age-based folders within this VOD section were created with input from and consultation with CSM.
- Millions of dollars of public service announcements (“PSAs”) have been provided to promote CSM’s digital literacy project.
- Achieving hundreds of millions of impressions for CSM-sourced videos on Comcast’s VOD and online (XfinityTV.com) platforms.
- Promoting CSM online content through banner ads, “featured links,” and

embedded videos in relevant news articles on XfinityTV.com. For example, CSM's online PSAs on digital literacy achieved tens of millions of banner ad impressions on XfinityTV.com.

- Supporting CSM campaign priorities. For example, the "Kids Picks" section highlighted CSM content concerning Internet Safety Month in June 2011, and National Bullying Prevention Month content in October 2011. On the online front, XfinityTV.com supported CSM campaigns on cyberbullying, back-to-school, and National Cybersecurity Awareness Month.<sup>38</sup>

Separately, NBCUniversal provides CSM substantial resources through license fees, donated time, online promotions, and production assistance for PSAs to support digital literacy and media education programs. NBCUniversal and CSM also have created a working relationship in which CSM experts are available to participate in on-air and online parenting advice discussions on topics such as online safety for kids, cyber-bullying, and movie and television content with respect to kids, among others. For example, on October 5, 2011, CSM parenting editor Caroline Knorr was a featured guest on NBC's *TODAY* show to talk about the influence that television shows are having on the behavior of girls.<sup>39</sup> NBCUniversal online properties such as iVillage.com also reference CSM materials for parenting advice.<sup>40</sup>

#### 4-5. Interactive Advertising

*Restrictions on the use of "Interactive Advertising" in programming produced primarily for children:* The Company implemented internal controls to ensure compliance with this Condition. In its role as an MVPD and insofar as it exerts control over advertising insertion or acceptance pursuant to affiliation agreements, Comcast issued policies and guidance to all relevant business units prohibiting the insertion of interactive advertisements into networks comprised of programming originally produced and transmitted primarily for an audience of children 12 years old or younger. Comcast went a step further and had Spotlight, its advertising sales division, disable interactive advertisement splicing for all such children's networks at the splicer (insertion point) for all zones and all markets. Disabling this feature prevents interactive elements of an advertisement from rendering on screen.

For its part, NBCUniversal issued policies and guidance to all stations and programming networks prohibiting the insertion of interactive advertising on broadcast programming and feeds delivered to MVPD linear channels in programs produced and transmitted primarily for an

<sup>38</sup> See Bay Windows.com: Comcast Joins Fight Against Bullying, <http://www.baywindows.com/index.php?ch=arts&sc=television&sc2=news&sc3=&id=125558> (Oct. 9, 2011).

<sup>39</sup> See, e.g., R. Hines, *Are TV shows making girls mean?* The Clicker on TODAY.com <http://theclicker.today.msnbc.msn.com/news/2011/10/05/8166200-are-tv-shows-making-girls-mean> (quoting responses by Caroline Knorr, the parenting editor for CSM, during an appearance on NBC's *TODAY* earlier that day) (Oct. 5, 2011).

<sup>40</sup> See, e.g., <http://www.ivillage.com/content-timing-tv-can-take-toll-kids-sleep/4-a-360751> (referring parents to CSM's website for more information on ratings and advice on children's media) (Jun. 27, 2011).

audience of children 12 years old or younger. The NBC Owned Television Stations division also sent a letter to more than 20,000 advertisers, representatives, and advertising agencies that stated:

[The] Station does not accept interactive advertising in programs originally produced and transmitted primarily for an audience of children 12 years of age and younger. For purposes of this limitation, interactive advertising is any marketing for commercial purposes on the Station that requires or requests consumer interaction.

The NBC Owned Television Stations division also includes this language in the contracts used for local and national advertising sales.

## 6. PSAs

*Requirement that the Company, for five years, provide \$15 million worth of PSAs per year for five years on various public interest topics:* From January 28, 2011 through December 31, 2011, the Company aired PSAs with a value of over \$17 million on the four topics designated by this Condition: (1) digital literacy, (2) parental controls, (3) Food and Drug Administration (“FDA”) Nutritional Guidelines, and (4) childhood obesity. This investment exceeds the value established in the Condition by over \$2 million.

As required, PSAs on childhood obesity aired at least once during each hour of NBC’s “core” E/I programming, plus an average of two times a day on PBS KIDS Sprout. Telemundo also aired Spanish-language childhood obesity PSAs during its children’s block throughout the year.

PSAs on digital literacy, parental controls, and FDA nutritional guidelines aired on networks or programming that have a higher concentration than the median cable network of adults 25-54 with children under 18 in the household. Qualifying networks were identified using viewership information obtained through The Nielsen Co. and are reviewed on a quarterly basis for changes. In the fourth quarter of 2011, the universe of cable networks on which Comcast inserts advertisements based on Nielsen median VPVH (viewers-per-viewing-household) figures from the previous quarter included the 34 networks listed in Table 3 (below):

Table 3

ABC Family	Discovery	Galavision	NFL Network	Travel
A&E	DIY	Great American	Oxygen	truTV
BBC America	E!	History	Spike	TV1
BET	ESPN	Lifetime	Style	VH1
Biography	Food	Lifetime Movie	SyFy	Versus
Bravo	Fuse	mun2	TBS	We TV
CMT	FX	National Geographic	TLC	

In addition, Comcast and Style partnered with the Ad Council to produce two new PSAs on the subject of the FDA Nutritional Guidelines, which started airing in November 2011 on the Style Network.

## **XIV. PEG CONDITIONS**

### **1. No Migration to Digital Delivery**

*Prohibition on migrating PEG (Public, Educational and Governmental) channels to digital delivery on any Comcast cable system until the system has converted to all-digital distribution:* During the Reporting Period, Comcast did not migrate any PEG channels to digital delivery on any system that has not converted to all-digital distribution. Plans for conversion to all-digital delivery are progressing, with the goal of reaching 50% of Comcast's footprint by the end of 2012. PEG channels will convert to digital only if and as the relevant system converts.

### **2. PEG Carriage on Digital Starter**

*Requirement that Comcast carry all PEG channels on its digital starter (D0) tier:* During the Reporting Period, Comcast maintained carriage of all PEG channels on its digital starter (D0) tier or on an equivalent tier that reaches 85% of subscribers on the applicable Comcast system.

### **3. Quality of PEG Delivery**

*Prohibition on changing the method of delivery of PEG channels that results in a material degradation of signal quality or impairment of viewer reception:* During the Reporting Period, Comcast did not implement any changes in the method of delivery of PEG channels that resulted in a material degradation of signal quality or impairment of viewer reception.

### **4. PEG on VOD and Online**

*Obligation to develop a platform to host PEG content on VOD and online:* Attached as Appendices C and D and incorporated by reference are the July 28, 2011 and January 30, 2012 reports filed pursuant to and reporting on compliance with this Condition.<sup>41</sup> Those reports describe the successful planning and launch of the pilot program to host PEG content selected by the communities for placement on VOD and on newly-created online platforms, as required by this Condition. As required by Condition XIV.4.c.vii, copies of those reports were posted and remain available for public viewing at [www.comcast.com/peg](http://www.comcast.com/peg).

## **XV. NCE and LOCAL NCE**

*Requirements with respect to Comcast's carriage of Qualified Noncommercial Educational ("NCE") Stations and Qualified Local Noncommercial Educational ("Local NCE") Stations:* No NCE or Local NCE stations carried on Comcast cable systems relinquished their broadcast spectrum during the Reporting Period.

---

<sup>41</sup> See letters filed with the Commission, *supra* n. 34.

## XVI. BROADBAND DEPLOYMENT AND ADOPTION

### 1. Broadband Footprint Expansion

#### a. 1,500-mile Expansion

*Requirement that Comcast expand its broadband network by at least 1,500 miles per year for three years and extend its broadband plant to approximately 400,000 additional homes:* In 2011, Comcast expanded its existing broadband network by 2,044 miles, surpassing the year-one target by 544 miles. In addition, Comcast extended its broadband plant to 199,876 additional homes, satisfying almost 50% of the year-three commitment in the first year.

#### b. Internet Service Upgrades to Rural Communities

*Requirement to upgrade Internet service to at least six additional rural communities in 2011:* In 2011, Comcast upgraded its infrastructure to provide broadband Internet service to 33 rural communities listed in Table 4 (below). The total number of upgraded communities exceeds the commitment by 27.

Table 4

California	Florida	Michigan	New Mexico	Pennsylvania	Virginia
Sonora (city) Toulumme City Mi-Wuk Village	Marianna Greenwood Malone Sneads Cottondale Grand Ridge Bascom Alford Everglades City	Hometown	Taos El Prado Talpa Llano Canon Rancho de Taos Deming Gallup Gamerco	Summit Station Bor. of Auburn Bor. Deer Lake Twp. of Wayne South Manheim West Brunswick East Brunswick	Ruther Glen Woodford Beaverdam Triangle

All of these rural communities now have infrastructure that can provide access to all Xfinity Internet speed tiers in addition to video service.

#### c. Additional Courtesy Accounts

*Requirement to provide an additional 600 Comcast courtesy video and BIAS account locations over three years at a rate of 200 additional locations per year:* In 2011, Comcast provided an additional 211 courtesy video and BIAS accounts to schools, libraries, and other community institutions in underserved areas in which broadband penetration is low and there is a high concentration of low income residents.

## **2. Broadband Adoption — Comcast Broadband Opportunity Program**

*Requirement to launch the Comcast Broadband Opportunity Program:* Attached as Appendix E and incorporated herein is the report Comcast released on January 31, 2012 that reviews the performance of Comcast's broadband adoption program, Internet Essentials, since the program was launched in the summer of 2011. The report details the steps Comcast has taken to comply with and significantly exceed its commitment and the Condition's requirements.

Among the highlights, Comcast announced that, as of December 21, 2011, Internet Essentials had already connected over 41,000 families (an estimated 160,000 low income Americans) to the power of the Internet in their homes, many for the very first time. The report also announced six key enhancements to Internet Essentials, including the expansion of the eligibility criteria to include not only families with at least one child who is eligible to receive free school lunches under the National School Lunch Program (the "NSLP"), but also families with at least one child eligible to receive reduced price school lunches under the NSLP. This expansion, which will be effectuated during the second quarter of 2012, will add an estimated 300,000 additional households in the Comcast service area eligible to participate in Internet Essentials, moving well beyond Comcast's commitment to the Commission and increasing the number of eligible households. Comcast also has implemented and will implement modifications to the application process designed to make it easier for eligible families to gain access to Internet Essentials. Comcast will also double the speed of the broadband connection provided with Internet Essentials to up to 3 Mbps downstream and up to 768 Kbps upstream, helping to make the service even more attractive. The Chairman of the Commission praised these enhancements as "strengthen[ing] [Comcast's] commitment to broadband adoption. ..." <sup>42</sup>

## **XVII. GENERAL**

*Prohibition on the Company entering into any agreement or arrangement or taking any other action that has the purpose or effect of impairing the effectiveness of these Conditions:* As stated in *Part One: Compliance Overview*, the Company instituted a transaction compliance review process in its contract approval processes, including programming-related agreements. This additional layer of review was designed to ensure that no business unit entered into any agreement or arrangement or took any other action that has the purpose or effect of impairing the effectiveness of the Conditions.

## **XVIII. VIOLATIONS**

*Provision stating that any violation of the Conditions shall be a violation of the Transaction Order:* This section is informational only.

---

<sup>42</sup> See Statement from FCC Chairman Julius Genachowski on Comcast's Strengthened Commitment to Broadband Adoption (Feb. 1, 2012).

## **XIX. REPORTING REQUIREMENTS**

*Requirement that the Company report to the Commission annually regarding compliance with these Conditions and post each such report on its website:* The filing of this annual report satisfies this Condition for the first year. A copy of this report is available as of today at [www.comcast.com/FCC-Annual-Report](http://www.comcast.com/FCC-Annual-Report).

## **XX. TERM**

*Provision setting general seven-year term for the Conditions:* This section is informational only.



**PART THREE: OVERVIEW OF PROGRESS ON  
VOLUNTARY DIVERSITY COMMITMENTS**

Comcast and NBCUniversal have long shared a commitment to diversity, and, in coming together, the Company has committed to lead the way in achieving a more diverse, inclusive, and broad-based communications and entertainment industry, both on and off camera. The Company practices and believes in diversity, not just as a social value, but also as a business philosophy. This is reflected in Comcast's core Touchstones (*we will respect and reflect the customers, communities, and cultures we serve*) and in NBCUniversal's Credo (*we believe that the talent, creativity, and diversity of our people are our greatest resources*), as well as at the highest levels of the Company and in the day-to-day conduct of the Company's business activities.

The Company embraces a broad definition of diversity, to ensure inclusion that accounts for race, gender, culture, color, religion, sexual orientation, age, disability, and veteran status. It also embraces a business culture that respects and is open to different thoughts, choices, philosophies, and experiences. The Company believes that it cannot be a leader in the marketplace and speak to its customers' needs unless it reflects the full range of the communities it serves. That means ensuring not only that programming and external facing services account for diversity, but also that the Company embodies a diverse and inclusive workplace, which generates creative thinking and ultimately delivers the best results to the Company's customers and shareholders.

With a goal of developing the most successful model of diversity and inclusion in the communications and entertainment industry, Comcast and NBCUniversal assessed and expanded their diversity strategy in anticipation of the Transaction, and then voluntarily entered into three Memoranda of Understanding ("MOUs") with various diverse leadership organizations to enhance diversity in the Company. These voluntary diversity commitments span five key "Focus Areas": (1) governance; (2) workforce recruitment and career development; (3) procurement; (4) programming; and (5) community investment and partnerships. The Company has adopted strategic approaches and detailed implementation plans for each Focus Area, with the goal of making strides toward significant corporate diversity achievements across each area. Further, with respect to certain voluntary diversity initiatives, the Company set aggressive target implementation dates. Demonstrated improvement in other areas will be the result of longer term, consistent efforts following (and in some cases expanding upon) the plans adopted by the Company.

Although not required as part of this Annual Report, the Company wants to take this opportunity to highlight progress on select diversity-related initiatives during the Reporting Period. As this overview demonstrates, the Company already has made significant progress in each Focus Area. While encouraged by our progress to date, the Company also recognizes that this is just the beginning of a long-term and holistic approach to achieving the goal of becoming a premier leader in corporate America on diversity and inclusion.



## **A. Governance**

The Company's most senior leadership is committed to ensure that its diversity initiatives receive top-level oversight, constant and timely feedback from stakeholders, and broad organizational support. David L. Cohen, Comcast Corporation's Executive Vice President, is the executive ultimately responsible for all of the Company's diversity and inclusion initiatives.

### **1. Joint Diversity Advisory Council**

In pursuing its diversity vision, the Company recognizes the importance of seeking the advice of respected diversity leaders in the business and civic communities. Shortly after the close of the Transaction, the Company formed an external Joint Diversity Advisory Council (the "Joint Council") to advise the Company's senior executive team regarding the development and implementation of the Company's diversity initiatives. The Joint Council is an innovative advisory body that brings together recognized and respected individuals from business, entertainment, and community leadership. It consists of four, nine-member Diversity Advisory Councils representing the interests of African Americans, Asian Americans, Hispanics, and Women, respectively. The Joint Council also has At-Large Members representing Native Americans, people with disabilities, veterans, and the lesbian/gay/bisexual/transgender ("LGBT") community.

The Company and the Joint Council have been actively engaged throughout the past year. There were two formal meetings of the Joint Council, in May and October of 2011, and the Joint Council again will meet formally two times in 2012 (in April and November). Brian L. Roberts, Comcast's Chairman and Chief Executive Officer, attends one formal Joint Council meeting each year, during which he holds individual meetings with each Diversity Advisory Council and the At-Large Members. Between formal meetings, members of the Joint Council and the Company's Internal Diversity Councils and Diversity and Inclusion Departments (described below) interact on a regular basis, including regular conference calls with the Joint Council's Executive Committee and the Company's diversity and inclusion leadership team. In addition, the Company's executives periodically met with and held conference calls with each Diversity Advisory Council and the At-Large Members. This ongoing dialogue helps to ensure that the Company's plans and actions are informed, meaningful, and achievable.

### **2. Board of Directors**

Comcast's Board of Directors is now more than one-third diverse. Among the 11-member Board, three are people of color and one woman. The two most recent appointees, both of whom joined the Board after the Transaction closed, are people of color. In May 2011, Comcast's shareholders elected Eduardo Mestre to the Board of Directors. Mr. Mestre was the Chairman of the Global Advisory business of Evercore Partners, a leading New York investment banking and advisory firm, and the first Hispanic to serve on Comcast's Board. In September 2011, the Board elected Johnathan Rodgers, former President and CEO of TV One, as Comcast's newest director. Comcast continues to develop its pipeline for future Board members, and diversity is among the key criteria considered, along with professional knowledge, business,

financial, and management expertise, industry knowledge, and entrepreneurial background and experience.

### **3. Internal Diversity Councils**

In 2011, Comcast and NBCUniversal each re-established its respective Internal Diversity Council, made up of senior executives who represent various departments within each business. These leaders spearhead the implementation and promotion of diversity throughout the Company. They meet regularly to oversee the Company's initiatives and progress, including one meeting each year at which members of NBCUniversal's Internal Diversity Council join the Comcast meeting. Members of both Internal Diversity Councils also serve as liaisons to the Joint Council.

### **4. Corporate Diversity and Inclusion Groups**

In April 2011, Comcast created a Diversity and Inclusion Department at the corporate level and appointed Maria G. Arias to the newly-created position of Executive Director, Diversity and Inclusion. In this role, Ms. Arias directs, manages, and organizes Comcast's diversity program strategy with a focus on recruitment and career development, suppliers, programming, and community investment. She works closely with Comcast's Internal Diversity Council and the Joint Council.

In August 2011, NBCUniversal named Craig Robinson replaced Paula Madison as Executive Vice President and Chief Diversity Officer, overseeing the Corporate Office of Diversity at NBCUniversal. In this role, Mr. Robinson oversees the organization's diversity initiatives and works closely with senior executives to promote these efforts throughout the organization, including the NBCUniversal Internal Diversity Council. Mr. Robinson also works with the Joint Council and serves as a liaison to the Native American representatives.

The Company's two corporate Diversity and Inclusion Groups meet and confer on a regular basis to coordinate work on diversity strategy, review progress, share best practices, align policies, and transform diversity goals into executable strategies.

### **B. Workforce Recruitment and Career Development**

The Company intends to be an industry leader in the arena of workforce diversity. It has committed to recruit and retain more diverse employees, with the objective of shaping the Company's workforce to be more reflective of the communities it serves. In particular, the Company has committed to increase diverse representation in its leadership ranks, including at the Vice President level and above. The Company also is committed to building and leveraging its development and training programs to develop leadership talent among diverse individuals and enhance opportunities for further advancement within the organization.

## **1. Diversity Planning and Execution**

In 2011, Comcast formed a new Employee Engagement Diversity Team with the goal of identifying, developing, and promoting diverse candidates at all levels of employment, with an emphasis on women and people of color at the Director and Vice-President level and above. The team is led by Ron Phillips, Senior Vice President of Employee Engagement, Comcast Cable. In partnership with the Talent Management team, Comcast's new Employee Engagement Diversity Team is developing and implementing a multi-year strategy to increase workforce diversity.

For its part, NBCUniversal created the new position of Senior Vice President and Chief Talent Officer, held by Cara Stein, to oversee the implementation of workforce diversity initiatives, recruiting, pipeline programs, and executive training.

## **2. Attracting, Developing, and Promoting Diverse Talent**

Since the close of the Transaction, the Company has required diverse slates for all hires at the Vice President-level and above. In addition, the Company has added recruiting firms to its rosters that have a track record of recruiting diverse talent, including African American, Asian American, Hispanic, and Women owned businesses.

In 2011, the Company launched and/or expanded several leadership development programs that provide opportunities for diverse talent, including:

- Comcast's Executive Leadership Career Advancement Program ("ELCAP").
- Comcast's Executive Leadership Forum ("ELF") — now also offered to NBCUniversal employees.
- Comcast's Career Opportunities and Rotational Experiences ("CORE") Program.
- NBCUniversal's News Associates Program.
- NBCUniversal's Casting Apprentice Program.
- NBC Owned Television Stations' Reporter Training Program.
- CNBC's Leadership Development Program.
- NBCUniversal's News Summer Fellowship Program.

## **3. Affinity Groups**

Drawing on NBCUniversal's successful history with Affinity Groups, Comcast launched eight pilot Affinity Groups in late 2011 for the following communities: African Americans, Asian Americans, Hispanics, LGBT, people with disabilities, veterans, women, and young professionals. Each group has three executive sponsors and a peer/mentor leader. In addition, NBCUniversal continues to support its successful Affinity Groups and, in February 2012, announced the creation of its newest Affinity Group, The NBCUniversal PWD (People with Disabilities) Network.

The Company's Affinity Groups are intended not only to provide a collaborative environment for members of diverse groups and those who support them, but also to harness the talent of members to drive the Company's business goals — for example, by providing insights on new markets, product development, and enhancing the Company's brand in the marketplace.

#### **4. Accountability**

To reinforce the commitment to and achievement of workplace diversity goals, business leaders at the highest levels of the Company are involved directly in the planning and execution of diversity initiatives and are held accountable in a variety of ways. Of particular note, both Comcast and NBCUniversal have made the business decision to link their respective management bonus structures to business objectives that include diversity.

#### **C. Supplier Diversity**

The Company is taking steps to enhance diversity in the procurement of goods and services and Company-wide supplier diversity activities, increasing the amount spent on diverse business partners. Consistent with its past efforts, the Company has adopted the long-term goal of increasing the percentage of business conducted with diverse vendors on a nationwide basis, to be on par with the percentage of diverse businesses in the communities it serves. Ultimately, the Company aspires to be recognized by the Billion Dollar Roundtable by spending at least \$1 billion with minority and woman suppliers on an annual basis.

##### **1. Increasing Outreach within the Supplier Diversity Community**

The Company continues to partner with minority-led chambers of commerce and other diverse business organizations throughout the country. The Company's supplier diversity partners include the National Minority Supplier Development Council, Inc. ("NMSDC"), Women's Business Enterprise National Council ("WBENC"), United States Hispanic Chamber of Commerce ("USHCC"), U.S. Pan Asian American Chamber of Commerce ("USPAACC"), National Black Chamber of Commerce ("NBCC"), National Center for American Indian Enterprise Development ("NCAIED"), National Veteran-Owned Business Association ("NaVOBA"), National Gay & Lesbian Chamber of Commerce ("NGLCC"), and The Walter Kaitz Foundation.

The Company's procurement teams consult on a regular basis regarding practices and strategies for diverse supplier development. Further, throughout the year, the Company sponsored, participated in, and attended national, regional, and local supplier diversity events, including supplier fairs, conferences, capacity-building events, business opportunity fairs, panels, and awards ceremonies in order to raise awareness among diverse suppliers.

##### **2. Expanding Opportunities for Diverse Professional Services Firms**

The Company has expanded opportunities for diversity in its purchase of professional services, including banking, advertising, legal services, technology, and real estate. For

example, for the eighth consecutive year in 2011, Comcast arranged a major credit facility with the United Bank of Philadelphia, made up of 10 minority-owned banks, and utilized three minority-owned firms to execute open market repurchases under its Board-authorized Stock Repurchase Program. In advertising, the Company fulfilled its commitment to spend an additional \$7 million on advertising with minority-owned media in 2011, and in March 2011, Comcast selected African American-owned advertising firm Burrell Communications as its agency of record for African American consumer market advertising. In technology, Comcast completed three high-level software transactions with the Asian American and women-owned firm, SHI, and NBCUniversal completed companion transactions with SHI shortly thereafter.

### **3. Improving Infrastructure and Expanding Second Tier Procurement**

In 2011, the Company enhanced its internal tracking mechanisms to better identify minority-owned and women-owned businesses. Working with a third party vendor, Comcast finalized a centralized vendor management agreement which, in the coming year, will expand its operational resources, including tools to enhance second tier procurement, an updated vendor registration website, and a consolidated supplier-locator tool. In addition, the Company strongly encourages prime vendors to report on second-tier vendors.

#### **D. Programming**

The Company offers a wide variety of programming services to many diverse communities across the country. The Company is working diligently to expand both access to and options for diverse programming and to enhance the amount and quality of diverse national and local programming for customers across multiple platforms.

#### **1. New Independent Networks**

As mentioned in *Part Two: Compliance with Specific Conditions*,<sup>43</sup> in February 2012, Comcast announced that it has selected four of eight minority owned or operated networks that Comcast will launch over an eight-year period. The four selected networks include two that are African American majority owned and two that are majority American Hispanic owned and operated and programmed in English.

The two African American channels are:

*Aspire*: Spearheaded by Entrepreneur and NBA Hall of Famer Earvin “Magic” Johnson, in partnership with the Gospel Music Channel, *Aspire* is dedicated to delivering enlightening, entertaining, and positive programming to African Americans families, including movies, documentaries, short films, music, comedy, visual and performing arts, and faith and inspirational programs. *Aspire* will celebrate the successes, achievements and accomplishments of the African American community and create new opportunities for the next generation of

---

<sup>43</sup> See *Part Two: Compliance with Specific Conditions*, Section III.3.

African American visionaries. The network will launch by summer 2012.

*REVOLT:* Proposed by superstar and entrepreneur Sean “Diddy” Combs and MTV veteran Andy Schuon, this network is designed to feature programming inspired by music and pop culture, including music videos, live performances, music news, and interviews, and will incorporate social media interaction for music artists and fans. The network has entered into an agreement to launch by January 2013.

The two Hispanic channels are:

*El Rey:* Proposed by legendary Hollywood director Robert Rodriguez and FactoryMade Ventures executives John Fogelman and Cristina Patwa, this network is designed to be an action-packed, general entertainment network in English for Hispanic American and general audiences that includes a mix of reality, scripted and animated series, movies, documentaries, news, music, comedy, and sports programming. The network will include programming that strongly features, and is produced, or directed, by Hispanic celebrities and public figures. The network has entered into an agreement to launch by January 2014.

*BabyFirst Americas:* Proposed by Spanish language television veteran Constantino Schwarz, this network is designed for infants, very young children, and their parents, and emphasizes the importance of early development of verbal, math, and motor skills. The network has entered into an agreement to launch by April 2012.

## **2. Expanding Distribution of Diverse Content**

*African American Content.* By the end of July 2011, Comcast expanded distribution of The Africa Channel in Detroit, Chicago, and the Washington, D.C. markets. By year-end, Comcast also had launched The Africa Channel in its Northern Santa Barbara County, Savannah, Charleston, and South Florida markets, growing the network’s audience by more than two million homes. The Africa Channel is the first mainstream television network in the U.S. fully dedicated to showcasing the richness, diversity, and beauty of modern Africa and its people. Also, in 2011, Comcast expanded carriage of TV One on its Xfinity TV lineup, making it available to over 600,000 additional customers in the Chicago and Miami markets. TV One is a real-life and entertainment cable network targeting African American adults.

*Asian American Content.* In March 2011, Comcast announced a significant new carriage agreement with Mnet, the only 24/7 English-language nationwide television network in the U.S. targeting Asian Americans and fans of Asian pop culture. By the end of 2011, carriage of Mnet had been extended to over three million Comcast subscribers in the San Francisco, Chicago, Sacramento, and Boston DMAs. Distribution to one million additional subscribers in two other DMAs will be completed by the end of 2012. In addition, in 2011, Comcast launched MYX TV in Seattle and Western Washington. MYX, a channel made for and by Asian Americans, is a 24-hour music lifestyle channel that entertains with an eclectic mix, fusing mainstream hits, the biggest jams from Asia, and a healthy dose of independent music.



*Hispanic Content.* In 2011, Comcast extended distribution of seven Hispanic programming services by more than 14 million subscribers. Channels include Azteca America, Galavisión, HITN, LATV, nuvoTV (formerly SíTV), Telefutura, and Univision. With this accomplishment, Comcast exceeded by more than 40% its commitment to expand carriage of three Hispanic networks by 10 million subscribers. Also, Comcast fulfilled its commitment to launch a package of 40 to 60 Spanish-language channels in all major Hispanic markets, including Northern California, Houston, South Florida, Chicago, Boston, Philadelphia, Washington, D.C., Denver, Salt Lake City, and Atlanta.

### **3. Increasing Diverse Programming Choices on VOD and Online**

Black Cinema On Demand, Cinema Asian America, and Hispanic Cinema On Demand now are available and refreshed monthly. In March 2011, Comcast announced the launch of Xfinity TV in Spanish with over 500 entertainment choices. In 2011, the Company also celebrated Asian-Pacific Heritage Month, Black History Month, Hispanic Heritage Month, and LGBT Pride Month with special programming on broadcast television, cable networks, VOD and online.

As mentioned in *Part Two: Compliance with Specific Conditions*, on January 9, 2012, Telemundo launched a new network — Exitos TV— on Telemundo’s multicast spectrum, spanning the 15 stations in the Telemundo Station Group, as well as an additional 14 affiliated stations. In addition, Comcast, Telemundo, and mun2 expanded the number of programming choices available on central VOD storage facilities to more than 100 choices. Telemundo programming further is available online at XfinityTV.com’s Hispanic American microsite.<sup>44</sup>

### **4. Adding News, Information, and Entertainment Choices for Diverse Viewers**

In addition to the various initiatives described above, the Company has undertaken initiatives intended to increase news, information, and entertainment choices for diverse viewers. In December 2011, NBC News announced the planned launch of NBCLatino.com, a website targeting U.S.-born and English-dominant Hispanics with a mix of news, politics, lifestyle, parenting, education, and other important issues. The site is available now as a beta, with a formal launch planned for April 2012.

In September 2011, with support from Comcast, NBC broadcast a one-hour primetime special covering the American Latino Media Arts Awards (“ALMA Awards”) created by the National Council of La Raza (“NCLR”) to celebrate the nation’s most outstanding Latino performers and producers that promote accurate and positive images of Hispanics in entertainment. Mun2 produced a two-hour pre-awards special and re-broadcast the awards show at a later date. Telemundo.com hosted the official NCLR ALMA Awards site, and Telemundo News featured highlights of the event. In addition, Comcast provided substantial PSA airtime promoting the 2011 ALMA Awards.

---

<sup>44</sup> See *Part Two: Compliance with Specific Conditions*, Section X.2-3.

The NBC Network also broadcast the 43<sup>rd</sup> National Association for the Advancement of Colored People (“NAACP”) Image Awards on February 17, 2012. Following the broadcast, the Company promoted the awards show on VOD, online and on the XfinityTV mobile app through advertising the show as the “DVR Pick of the Day,” promoting the full show on the Xfinity.com and Xfinitytv.com homepages, and offering award show content on VOD.

## **E. Community Investment and Partnerships**

The Company maintains national programs and partnerships and works with local organizations to strengthen the communities in which it does business, while also bringing visibility to important local issues. The Company recognizes the importance of investing in minority-led and/or minority-serving organizations and the programs and services provided by such organizations. It also understands that corporate and foundation contributions are important to the communities served and are consistent with responsible business practices. With these goals in mind, the Company committed to increase its support for community-based philanthropic organizations helping underserved and diverse communities.

### **1. Increased Funding for Minority-Led and Minority-Serving Organizations**

The Company is pleased to report that, in 2011, it exceeded its commitment to increase aggregate cash contributions to minority-led and minority-serving organizations by more than 10% over its 2010 spend.

In furtherance of this goal, the Company took a proactive approach to identifying potential community investment partners, including local affiliates of its national partners and other diverse organizations in the Company’s footprint. Throughout the year, the Company provided philanthropic support to a wide range of diverse charitable partnerships and domestic nonprofits. Examples include the Asian Pacific Institute for Congressional Studies, League of United Latin American Citizens (“LULAC”), NCLR, National Urban League (“NUL”), Organization of Chinese Americans (“OCA”), the Rainbow Push Coalition, and many others.

### **2. Internship and Scholarship Programs**

In 2011, the Company increased support for internship and scholarship programs with a proven track record of working with diverse communities. For example, Comcast increased support for the Emma Bowen Foundation with PSAs promoting the organization’s minority intern recruiting drive. In support of the T. Howard Foundation, Comcast made new or increased contributions supporting similar internship and scholarship programs. In 2011, NBCUniversal increased the number of Emma Bowen interns and also increased its support for the T. Howard Foundation.

Comcast’s Leaders and Achievers Scholarship program recognizes high school seniors from the communities in the Comcast footprint for their commitment to community service, academics, and demonstrated leadership. Comcast increased funding to diverse recipients of

Leaders and Achievers Scholarships during the 2011-2012 school year. In 2011, Comcast also updated its Leaders and Achievers Scholarship program materials to emphasize the Company's commitment to diversity. These materials are sent each year to diverse program partners, including school principals and guidance counselors.

In 2011, Telemundo launched its Hispanic Media Futures Program in partnership with the School of Journalism & Mass Communications at Florida International University. This comprehensive two-semester internship program offers top-ranked journalism, advertising, and public relations students immersion in the Spanish-language media world.

### **3. PSAs**

The Company provides substantial support for diverse partners through the provision of PSAs and other media placements, both locally and nationally. The Company's PSA commitment to diverse causes exceeded \$51 million in 2011. Examples include running PSAs celebrating the history and culture of Native Americans during American History Heritage Month in 2011 and significant PSA airtime promoting the Gay Lesbian Alliance Against Defamation ("GLAAD")'s Annual Media Awards.

Other Comcast PSA initiatives in 2011 included: NUL's *I Am Empowered* campaign; LULAC's digital literacy campaign; The HistoryMaker's PSAs recognizing important African Americans in U.S. history; APIA Vote's national registration program; the Vietnam Veterans Association's educational campaign regarding services available to all veterans; and the American Association of People with Disabilities' youth anti-bullying campaign. In 2011, NBCUniversal honored Hispanic Heritage Month with PSAs; *The More You Know* campaign launched a new series of PSAs; NCLR and the Congressional Hispanic Caucus Institute announced a partnership with Telemundo for *El Poder de Hacer*; and the USA Network's *Characters Unite* campaign earned a Golden Beacon Award.

### **4. Signature Programs**

In 2011, Comcast added partner organizations and project sites serving diverse communities and beneficiaries for Comcast Cares Day, its longstanding, organization-wide day of service. Similarly, Comcast worked with One Economy to survey the diversity of its existing Digital Connectors sites, a program that identifies talented young people and immerses them in technology training to help build their leadership and workplace skills to enter the 21st century economy. The Company's goal is to ensure that all Digital Connector program sites, now spanning 43 cities in 24 states, are located in diverse communities. Moreover, in 2011, Comcast increased the number of school assignments for its Beyond School Walls program (in partnership with Big Brothers Big Sisters), adding Nashville, TN, Manchester, NH, and Seattle, WA. All 12 current Beyond School Walls school assignments are located in diverse communities.

**F. Comcast Opportunity Fund**

The Company has undertaken additional initiatives designed to enhance the role of diverse individuals and organizations in the communications and entertainment industry, including the creation of a new \$20 million venture capital “Opportunity Fund,” managed by Comcast Ventures, the Company’s venture capital arm. The fund is intended to help the start-up of ventures led by diverse individuals, partnerships, or companies with innovative ideas for synergistic technologies for the Company’s businesses.

As a first step, in 2011, Comcast Ventures partnered with a leading technology accelerator program, DreamIt Ventures, to fund a minority entrepreneur accelerator program (“MEAP”). Participating companies received seed funding and took advantage of DreamIt’s benefits and services, including business talent, legal, and accounting services, mentoring, office space, guidance from leading business visionaries, and contacts to reach the next level of development. The fall 2011 MEAP class included five start-ups, whose founding members include men and women of African American, Asian American, or Hispanic American descent. Comcast Ventures is in discussions with DreamIt regarding participation in future programs.

**G. Conclusion**

The 2010 U.S. Census data tell the story of the new and changing face of America, as the nation witnesses the fastest and most dramatic transformation in nearly a century. The Company strives to represent the communities in which it does business and where its employees live and work. The work that Comcast and NBCUniversal have done, and the progress the Company has made in the year since the close of the Transaction, reflects the seriousness of the Company’s commitments in this regard. With these first important steps, as well as concrete strategies and plans for the future, the Company intends to forge ahead toward its goal of becoming a model corporate leader in diversity and inclusion.



# **APPENDIX A**



# NON-PROFIT ONLINE NEWS

local non-profit online news organization for a very good reason NBC is looking for the opportunity, to help out our communities please log on to our website  
**LOCAL NON-PROFIT ONLINE ORGANIZATION FOR OUR COMMUNITIES**

## PARTNERSHIPS

- possible arrangement  
issues  
concern or  
interest

to the communities of  
our local NBC stations.

**NEW ORGANIZATION**

**JULY 2011**

## PROGRESS REPORT

**NBCUniversal**



JULY 2011

# PROGRESS REPORT

This report summarizes the steps NBCUniversal has taken during the reporting period of **January 28 to July 28, 2011** to satisfy the obligation under Appendix A, Section XI.5 of the Comcast-NBCUniversal Order,<sup>1</sup> which requires at least half of the 10 NBC Owned Television Stations to enter into cooperative arrangements with locally focused non-profit news organizations (“**Online News Partners**”). As required, this report covers the first six months since the closing date of the Comcast-NBCUniversal transaction. Future reports will be filed every six months hereafter during the reporting period.

## BACKGROUND

---

The Online News Partners condition was modeled on the existing relationship between NBC owned station KNSD in San Diego, and the Voice of San Diego, an independent, non-profit online news source focused on issues impacting the San Diego region. As in that arrangement, elements of the new news partnerships NBCUniversal will form may include story development, sharing of news footage and other content resources, financial support, in-kind contributions, shared use of technical facilities and personnel, on-air opportunities, promotional assistance and cross-linking/embedding of websites.

## SELECTION PROCESS

---

### Establishment of the Advisory Council

Shortly after the closing of the Comcast-NBCUniversal transaction on January 28, 2011, NBCU established an advisory council to implement the Online News Partners program. The advisory council’s membership includes:

- News directors from all 10 of the NBC Owned Television Stations;
- Senior Vice President, Operations, NBC Owned Television Stations;
- Senior Vice President, NBC News;
- Vice President, Digital Media, NBC Owned Television Stations;
- Vice President, News Standards and Policies, NBC News;

---

<sup>1</sup> Memorandum, Opinion and Order in the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees, MB Docket No. 10-56 (Jan. 18, 2011).



- Representatives of the NBCU Law Department, including the Vice President of Regulatory Affairs; and
- Senior Media Counsel.

The advisory council has met regularly via conference call beginning on March 1, 2011. The council was tasked with drafting a request for proposals and developing an evaluation process for assessing proposals. In addition, the council's duties included designing an outreach approach to ensure broad dissemination of information about the opportunity, establishing a timeline to ensure timely implementation, and preparing outreach materials.

At the initial meeting of the advisory council on March 1, it was determined that certain members would contact "subject matter experts" – organizations, such as ProPublica, Knight Foundation, McCormick Foundation and Poynter Institute, that support journalism, for assistance in identifying potential partners. These organizations were contacted between March and May 2011 and provided useful information and ideas to guide the outreach effort. The subject matter experts also recommended organizations who they thought could fit the profile of an Online News Partner. As a result, NBCU sent e-mails to the recommended organizations requesting that they consider applying for a news partnership.

At subsequent meetings in March and April 2011, a timeline was established, the review process was finalized, an evaluation "scorecard" was developed and the application form was finalized and approved. In addition, the advisory council adopted the selection criteria for the Online News Partnerships.

#### **Request for Proposals (RFP)**

The advisory council developed an online application form (Exhibit A) for the Online News Partnerships which was included on the web page for each NBC Owned Television Station (except San Diego). The application page on the websites set forth the main criteria for online news partners, which are incorporated into the application itself:

- Robust local news gathering capabilities
- Track record of objectivity and excellence in journalism
- Strong journalistic qualifications
- Strong organizational management
- Strong financial resources capable of sustaining a multi-year relationship
- Ability to report on diverse stories and provide diverse viewpoints
- Diversity of the organization's leadership and staff and its ties to the community it serves
- Ability to work collegially in a cooperative relationship

The online application form seeks information about the following focus areas:

- I. **General Information About the Organization** – a description of the applicant’s involvement in local news gathering and reporting, including geographical area and topical focus.
- II. **Governance, Leadership and Structure** – information on the applicant’s governance, including its charter, bylaws, directors and officers. To further the goal of enhancing diversity of viewpoints and programming, the application form asks each applicant to describe the manner in which applicant’s governance and leadership reflects the diversity of communities in the station’s service area.
- III. **Newsgathering Capabilities** – a description of the applicant’s infrastructure for news gathering and news production, including editorial and non-editorial staff. Diversity of leadership and staff and the applicant’s ability to help the NBC Owned Television Stations enhance diversity of viewpoints and programming will be a factor in the review process.
- IV. **Funding and Resources** – information on the applicant’s funding sources for the last three years, including donations and grants, advertising policies and standards
- V. **Journalism Practices** – applicants must provide a copy of their written standards for the journalists who provide content used on their platforms.
- VI. **Audience Make-Up and Distribution of Content** – applicants must also describe the composition of their organization’s target audience, including average monthly page views and unique visitors and use of social media.

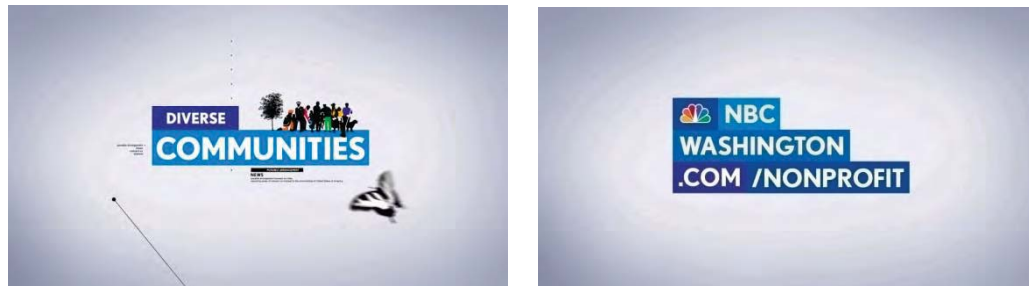
In addition, all applications must include a statement of interest and two letters of recommendation.

### Outreach and Promotion

The council set a launch date of May 23, 2011 for the eight week broad outreach effort, with applications due on or before July 22, 2011. Outreach on the RFP consisted of:

- Airing promotional announcements on all of the NBC Owned Television Stations other than KNSD.





The screen captures pictured above are from a 15 second spot that aired on NBC Washington and featured the following voice-over:

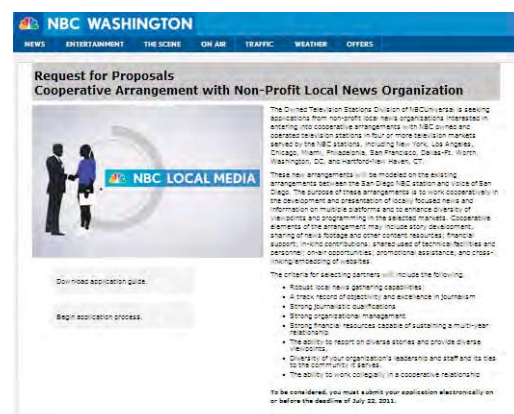
“NBC 4 is looking for a local, non-profit online news organization for a possible arrangement focused on reporting on issues of concern or interest to the diverse communities of the Greater Washington Metropolitan Area. For more information, go to [nbcwashington.com/nonprofit](http://nbcwashington.com/nonprofit).”

As of July 22, 2011, the NBC Owned Television Stations had aired more than 1,800 promotional announcements inviting interested parties to visit the website and submit an application.

- Placing advertisements on each NBC Owned Television Station’s website, generating over 3.8 million ad impressions across the sites.



- Creating a link on each station’s website (other than KNSD’s) to the application form and information on the application process (e.g., [www.nbcwashington.com/nonprofit](http://www.nbcwashington.com/nonprofit)).



- Issuing a press release that described the project and included links to the relevant section of the stations' websites (Exhibit B).
- Communicating directly with any organizations that had proactively contacted NBCU based on press reports describing the online local news condition imposed by the Comcast-NBCUniversal order.
- Emails describing the project were sent to the heads of six diverse journalism organizations, which encouraged these organizations to make their members aware of the potential opportunity. These organizations are National Association of Black Journalists, National Association of Hispanic Journalists, Native American Journalists Association, Asian American Journalists Association, South Asian Journalists Association and National Lesbian and Gay Journalists Association.

**Framework for the RFP Review**

The Advisory Council agreed that each qualifying application would be reviewed in full by three people – the in-market news director, a second news leader to be randomly assigned and either a member of the law department or the Vice President of News Standards and Policies, also to be randomly assigned. For this purpose, “qualifying” means those applications that contained answers to all questions and supplied all requested documents or adequately explained the absence of such documents. The pool of applicants will be narrowed through this paper review. The number of finalists will be determined based on the total number of qualifying applicants and the spread in their scores based on the paper review. The finalists will be subject to a second review, including a site visit, discussion of business terms, follow-up questions, reference checking and background checking.

**CURRENT STATUS**

---

As of the July 22 application deadline, 32 complete and qualifying applications were received. These applications have been assigned to review teams, and the paper review is in progress. It is anticipated that both the paper review and the second-level review will be completed by the end of August and that the final selection of local online news partners will be made at that time. In the event these applications do not yield sufficient viable candidates, it may be necessary to revisit the timeline and consider other avenues for outreach.

# EXHIBIT A

JULY 2011

## PROGRESS REPORT

NBCUniversal




**NBC NEW YORK**

Q HZ V

HQ WHUWD IQ P HQ W

WK H#F HQ H

R Q # IU

WUD IIF

Z HD WKHU

R I IHUV

## Request for Proposals Cooperative Arrangement with Non-Profit Local News Organization


[Download application guide.](#)
[Begin application process.](#)

The Owned Television Stations Division of NBCUniversal is seeking applications from non-profit local news organizations interested in entering into cooperative arrangements with NBC owned and operated television stations in four or more television markets served by the NBC stations, including New York, Los Angeles, Chicago, Miami, Philadelphia, San Francisco, Dallas-Ft. Worth, Washington, DC, and Hartford-New Haven, CT.

These new arrangements will be modeled on the existing arrangements between the San Diego NBC station and Voice of San Diego. The purpose of these arrangements is to work cooperatively in the development and presentation of locally focused news and information on multiple platforms and to enhance diversity of viewpoints and programming in the selected markets. Cooperative elements of the arrangement may include story development, sharing of news footage and other content resources; financial support; in-kind contributions; shared use of technical facilities and personnel; on-air opportunities; promotional assistance; and cross-linking/embedding of websites.

The criteria for selecting partners will include the following.

- Robust local news gathering capabilities;
- A track record of objectivity and excellence in journalism
- Strong journalistic qualifications
- Strong organizational management
- Strong financial resources capable of sustaining a multi-year relationship
- The ability to report on diverse stories and provide diverse viewpoints,
- Diversity of your organization's leadership and staff and its ties to the community it serves.
- The ability to work collegially in a cooperative relationship

**To be considered, you must submit your application electronically on or before the deadline of July 22, 2011.**



© 2011 NBCUniversal, Inc. All rights reserved. Portions by Broadcast Interactive Media. A Division of NBCUniversal

[Terms Of Service](#) | [Privacy Policy](#)

[Non-Profit Online Local News Project Application](#)  
[FCC Independent Programming Report](#)  
[FCC News and Information Programming Report](#)



[Archive](#) | [Feedback](#) | [About Us](#) | [Advertise](#)

### NEWS

Local  
 Politics  
 Sports  
 Health  
 Tech  
 Weird  
 Weather  
 The 20  
 U.S. & World  
 9/11 Anniversary  
 Go Healthy NY

### THE SCENE

Food & Drink  
 Fashion  
 Shopping  
 Events  
 Real Estate  
 Cars  
 Open House  
 Nonstop Sound  
 Thread NY  
 The Feast

### ENTERTAINMENT

Celebrity  
 Movies  
 Television  
 Music  
 PopcornBiz

### ON AIR

As Seen On  
 Shows  
 Contests  
 Community  
 About Us  
 TV Schedule  
 LX.TV  
 NY Nonstop  
 CNBC  
 Television Without Pity  
 Access Hollywood  
 Bravo  
 iVillage

### WEATHER

Forecast  
 Maps & Radar  
 Severe Weather Alerts  
 School Closing Alerts  
 Weather Stories

### TRAFFIC



## Request for Proposal

Please note that all attached files must have a unique file name or else they will be overwritten.

Name of Organization

Street Address

City

State

Zip Code

Phone no.

Contact

Email address

Website URL

(e.g., <http://www.example.com>)

### I. General Information About Your Organization

1. What is the core mission or purpose of your organization?

Optional: Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)

2. Describe your organization's involvement in local news gathering and reporting, including the geographical area and topical focus (if any) of your coverage.

Optional: Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)

3. On what platforms does your organization distribute content? Provide details for each platform checked below:  
(Multiple selection allowed, must fill in detail if item is selected)

☐

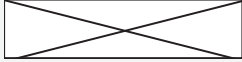
Website

☐

Print publication

[illegible]

Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)

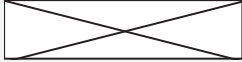


3. Is your organization affiliated formally or informally with any governmental agencies or community organizations?

☐ Yes ☐ No

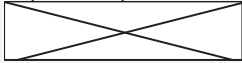
3a. If yes, please provide details below:

Optional: Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)



4. Please describe the extent to which your organization's governance and leadership reflect the diversity of communities in the area.

Optional: Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)



### III. Newsgathering Capabilities

1. What is the size of your editorial staff?

Paid

Volunteer

2. What is the size of the remainder of your staff (not including editorial)?

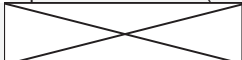
Paid

Volunteer

3. Describe your organization's infrastructure for news gathering and news production.

- Please note if you have electronic news gathering and/or post production capabilities.
- Please provide background on your staff's background, experience, qualifications
- Please describe with some detail your journalistic output: spot news; investigative reporting; analysis; features; etc.
- Any other background on your organization's local community news reporting capabilities, including any particular capabilities with respect to diverse communities in the market

Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)



4. Diversity of backgrounds in your organization's leadership and staff will be a relevant factor in determining whether your organization can help NBC Local Media achieve the goal of enhancing diversity of viewpoints and programming. To the extent not already included in prior responses, please provide any additional information about your organization that you would like us to consider in this regard.

Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)

#### IV. Funding and Resources

1. Please identify your primary funding sources for 2008, 2009 and 2010, including all donations or grants of \$10,000 and above in any single year.

Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)

2. Please provide financial statements (including audited financial statements, if available or IRS Form 990) for 2008, 2009 and 2010, including verification of your tax exempt status each year, and any philanthropic efforts or donations you have made.

Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)

3. Does your organization accept advertising?

☐ Yes ☐ No

4. Do you have written advertising standards?

☐ Yes ☐ No

4a. If yes, please provide a copy.

Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)

#### V. Journalism Policies

1. Does your organization have written standards for the journalists who provide content used on your platforms?

☐ Yes ☐ No

1a. If yes, please provide a copy of your standards and describe how new journalists are trained.

Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)

2. Does your organization have a correction/retraction policy?

☐ Yes ☐ No

2a. If yes, please attach a copy.

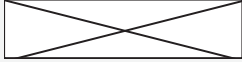
Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)

3. Does your organization have an ombudsperson?

☐ Yes ☐ No

3a. If yes, please provide the ombudsperson's name and describe his/her responsibilities.

Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)



4. Does your organization take editorial policy positions or endorse candidates?

☐ Yes ☐ No

4a. If yes, what rules or policies does the organization have in place to separate the "editorial/policy" activities from journalistic news coverage?

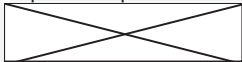
Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)



## VI. Audience Make-Up and Distribution of Content

1. Describe the composition of your target audience. Be as specific as possible and include demographic, geographic and psychographic profiles.

Optional: Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)



2. For your website, please provide the following audience information with sources listed:

Average monthly page views for 2010:

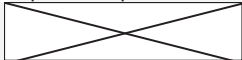
Average monthly unique visitors for 2010:

Average monthly video views for 2010:

Primary referral sources of web traffic in 2010:

3. How do you use social media?

Optional: Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)



4. How much content is published per week by platform? Describe how many stories, articles, blogs, videos, etc. are published each week.

☐ Website

☐ Print publication

☐ TV Station



 Cable Channel

--

Radio

\_\_\_\_\_

Mobile


\_\_\_\_\_

Other

ML 01

## VII. Other

Please provide a brief statement explaining why your organization is interested in working with NBC Local Media and how working with your organization would help us achieve the goals of expanding the availability of locally focused news and information in our television markets and enhancing diversity of viewpoints and programming.



Please attach letters of recommendations from two individuals familiar with the work of your organization. Upload a document (.doc, .docx, .pdf, .rtf, .xls, .xlsx, .ppt, .pptx, .zip)

Clear the form

Submit form

# **EXHIBIT B**

**JULY 2011**

# **PROGRESS REPORT**

**NBCUniversal**

## NBC LOCAL MEDIA ANNOUNCES MULTI-CITY SEARCH FOR LOCALLY-FOCUSED, NON-PROFIT NEWS ORGANIZATIONS

Posted June 1st, 2011 | NBC Owned Television Stations

[More News](#)[Show All Articles](#)

**NBC Local Media Announces Multi-City Search For Locally-Focused, Non-Profit News Organizations To Cooperate In News Gathering and Reporting**

**Publishing Of Request For Proposals Initiates Process of Identifying**

**Non-Profit Outlets in Markets Served by NBC's Owned & Operated Stations**

*Effort Modeled On Successful Relationship Between KNSD, The NBC-Owned Station in San Diego, and Non-Profit News Group voiceofsandiego.org*

**May 23, 2010, New York, NY --** The Local Media Division of NBCUniversal announced today that it is seeking applications from non-profit, locally-focused news organizations interested in entering into cooperative news gathering and reporting arrangements with NBC owned-and-operated (O&O) television stations in New York, Los Angeles, Chicago, Miami, Philadelphia, San Francisco, Dallas-Ft. Worth, Washington, DC, and Hartford-New Haven, CT. Today's announcement furthers a commitment to localism made by NBC and Comcast when the companies announced the formation of their joint venture in December of 2009.

NBC will seek to establish cooperative arrangements between non-profit news groups and NBC local news teams. These arrangements may include a variety of elements, ranging from story development to sharing of news footage and other content resources; shared use of technical facilities and personnel; on-air opportunities; promotional and other assistance; and cross-linking/embedding of websites.

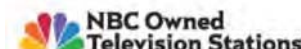
The model for these new relationships is an existing arrangement between KNSD, the NBC-owned station in San Diego, California and voiceofsandiego.org, a non-profit news organization that has been providing news and information to the local community for six years. Through this initiative NBC is targeting the extension of the model to at least four more of its ten O&O stations, which will bring the number of markets participating in this initiative to at least five.

Organizations interested in applying should have robust news gathering capabilities, a track record of accuracy, fairness and independence in their journalistic efforts, and an ability to provide diverse viewpoints and programming. Requests for proposals specific to each market, together with application forms and more detailed information about the application process are now available at the URLs listed at the bottom of this page. Applications, which will be reviewed by an advisory council that will include NBC Local Media news directors, standards and policy representatives, regulatory affairs executives, and senior counsel, must be submitted by July 22. The company's goal is identify successful candidates by the end of summer, 2011.

"We're looking for top-notch, non-profit news organizations that can work cooperatively with our local NBC news teams to create unique content for both their own platforms and our news platforms," commented John Wallace, President, NBC Local Media. "As we roll out the search process, we'll focus on groups that apply the same high standards of credibility and professionalism that NBC brings to all of its news coverage. And, in keeping with our broad commitment to diversity, we'll also be looking for outlets that represent a range of diverse communities and viewpoints in the markets they serve."

"This initiative is a key step in addressing the commitment we made to increasing localism," commented Rick Cotton, Executive Vice President and General Counsel, NBCUniversal. "It will also help ensure that our communities have broad access to local news and information, while at the same time giving an important boost to non-profits."

"The voiceofsandiego.org staff includes some of the most dedicated news professionals I've ever worked with," commented Greg Dawson, KNSD's News Director. "Since we began working with voiceofsandiego.org in 2006 we've collaborated on everything from investigative reporting to news production, and we've been able to deliver some great stories through both our broadcast, and voiceofsandiego.org's news site. We've also developed compelling weekly features such as 'Fact Check,' through which we test the accuracy of quotes from local and national politicians. Overall, it's been good for news in our city, and I'm excited to see the model replicated elsewhere."



"A good partnership optimizes the best talents of each organization and creates something powerful neither of them could do alone. This is what's happened here," Commented Scott Lewis, CEO of voiceofsandiego.org. " NBC San Diego has been willing to try new, innovative ways of explaining complicated news and holding people accountable while at the same time bringing decades of broadcast experience to the table to ensure it's done right. I'm excited to see other stations and partners around the country get together and think about what they can innovate."

Details on the application process for each of the markets involved can be found at the following links:

New York City

[nbcnewyork.com/nonprofit](http://nbcnewyork.com/nonprofit)

Los Angeles

[nbcla.com/nonprofit](http://nbcla.com/nonprofit)

Chicago

[nbcchicago.com/nonprofit](http://nbcchicago.com/nonprofit)

Miami

[nbcmiami.com/nonprofit](http://nbcmiami.com/nonprofit)

Philadelphia

[nbcphiladelphia.com/nonprofit](http://nbcphiladelphia.com/nonprofit)

San Francisco

[nbcbayarea.com/nonprofit](http://nbcbayarea.com/nonprofit)

Dallas-Ft. Worth

[nbcdfw.com/nonprofit](http://nbcdfw.com/nonprofit)

Washington, DC

[nbcwashington.com/nonprofit](http://nbcwashington.com/nonprofit)

Hartford-New Haven, CT.

[nbcconnecticut.com/nonprofit](http://nbcconnecticut.com/nonprofit)

**Contact:**

John McKay

Corporate Communications

NBCUniversal

212.664.6202

Liz Fischer

Corporate Communications

NBCUniversal

212.664.4825



## **APPENDIX B**



**NON-PROFIT**

**NEWS ORGANIZATION**

**LOCAL**

possible arrangement focus  
reporting issues of concern  
to the community of our ne  
For more information pleas  
website to check out

community

**JAN. 2012**

**PROGRESS  
REPORT**

## JANUARY 2012

# NON-PROFIT NEWS PARTNERS

## PROGRESS REPORT

---

This report summarizes the steps NBCUniversal has taken during the reporting period of **July 28, 2011 to January 28, 2012** to satisfy the obligation under Appendix A, Section XI.5 of the Comcast-NBCUniversal Order.<sup>1</sup> That condition requires that at least four of the 10 NBC Owned Television Stations enter into cooperative arrangements with locally focused non-profit news organizations. These arrangements are to be modeled after the successful partnership already in place between the NBCUniversal-owned television station in San Diego, California and the VoiceofSanDiego.org.

As announced this past December, four stations, plus the San Diego operation, have established partnerships with non-profit news entities.

### CULMINATION OF THE NEWS PARTNERS SELECTION PROCESS

---

The first report on the progress of the news partner selection process described the steps taken by NBCUniversal to ensure the broadest dissemination of its request for proposals and application intake process, both of which concluded on July 22, 2011.<sup>2</sup> NBCUniversal's efforts since then have been focused on evaluating proposals representing 30 independent news organizations from across the country. The high volume of applications came as little surprise considering the extensive outreach effort undertaken by the NBCUniversal-owned stations in their markets. To recap, the outreach consisted of:

- Airing promotional announcements on all of the NBC Owned Television Stations other than NBC 7 San Diego (KNSD). By the close of the application period, the NBC Owned Television Stations had aired more than 1,800 promotional announcements inviting interested parties to visit each station's website and submit an application.

---

<sup>1</sup> Memorandum, Opinion and Order in the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees, MB Docket No. 10-56 (Jan. 18, 2011), as amended by the Erratum released on March 9, 2011 ("Comcast-NBCUniversal Order").

<sup>2</sup> See Letter from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Comcast Corporation, to Marlene H. Dortch, Secretary, Federal Communications Commission, MB Docket No. 10-56 (Jul. 28, 2011) at Attachment A ("July 28 Report").





- Placing advertisements on each NBC Owned Television Station's website, generating over 13 million ad impressions across the sites.
- Creating a vanity URL on each station's website (.com/nonprofit) that contained the application form and information on the application process.
- Issuing a press release that described the project and included links to the relevant section of the stations' websites.<sup>3</sup>
- Communicating directly with any organizations that had proactively contacted NBCUniversal based on press reports describing the local news partnership condition in the Comcast-NBCUniversal order.
- Sending e-mails describing the project to the heads of six diverse journalism organizations to encourage these organizations to make their members aware of the potential opportunity. These organizations are National Association of Black Journalists, National Association of Hispanic Journalists, Native American Journalists Association, Asian American Journalists Association, South Asian Journalists Association and National Lesbian and Gay Journalists Association.

Organizations interested in applying were required to demonstrate robust news gathering capabilities and a track record of accuracy, fairness and independence in their journalistic efforts. To further the goal of enhancing diversity, the application materials required each applicant to describe the manner in which the applicant's governance and leadership reflected the diversity of communities in the station's service area. The applicant's ability to help the NBC Owned Television Stations enhance diversity of viewpoints and programming was also a factor in the review process.

Each qualifying application was reviewed in full by four people —the in-market news director, the station's finance director, a second news leader randomly assigned, and a member of the law department. The pool of applicants was narrowed through this paper review. Finalists were then subjected to a second review, including a site visit, discussion of business terms, follow-up questions, reference checking and background checking.



---

<sup>3</sup> See Press Release: NBC Local Media Announces Multi-City Search for Locally-Focused, Non-Profit News Organizations, <http://www.nbcuni.com/corporate/newsroom/nbc-local-media-announces-multi-city-search-for-locally-focused-non-profit-news-organizations-1> (May 23, 2011).

## SELECTED PARTNERS

---

On December 6, 2011, NBC Owned Television Stations announced the four selected partners at the close of its careful and detailed selection process.<sup>4</sup> Each selected partner has a distinguished history of providing locally-focused news through traditional and non-traditional media alike.

News Partner	Station
	

ProPublica ([www.propublica.org](http://www.propublica.org)) is a Pulitzer Prize-winning independent newsroom that produces investigative journalism that serves the public interest, focusing on important stories with great impact with a goal of generating positive reform in the larger community. Since its launch in 2008, ProPublica has partnered with leading news organizations across the nation to publish or broadcast their stories, distributing more than 100 stories in 2010 with more than 40 different partners.

ProPublica has partnered with NBC 4 New York (WNBC), but will also provide the results of its investigations to all 10 NBC Owned Television Stations. Richard Tofel, ProPublica's general manager, expressed that the partnership with the NBC Owned Television Stations "will extend the reach and impact of ProPublica's groundbreaking news applications and result in great local stories for NBC viewers across the country. Beyond that, we're very grateful for NBCUniversal's commitment to supporting innovative non-profit journalism in the public interest."<sup>5</sup>

News Partner	Station
	

---

<sup>4</sup> See Press Release: NBC Owned Stations Selects Four Non-Profit News Partners, <http://www.nbcuni.com/corporate/newsroom/nbc-owned-stations-selects-four-non-profit-news-partners> (Dec. 6, 2011) and related blog post at <http://www.nbcudirect.com/nbcownedstations120611/> (Dec. 6, 2011).

<sup>5</sup> M. Cho, NBC Selects ProPublica as New Non-Profit Partner, <http://www.propublica.org/atpropublica/item/nbc-selects-propublica-as-new-nonprofit-partner> (Dec. 6, 2011).

*The Chicago Reporter* ([www.chicagoreporter.com](http://www.chicagoreporter.com)) is an investigative news organization that publishes a website, blog and bi-monthly magazine. The staff of *The Reporter* is widely-recognized for its reports and analysis on the social, economic and political issues of metropolitan Chicago with a focus on race and poverty. *The Reporter* serves a wide, diverse and influential audience of policy makers and government officials, traditional and new media, social service providers and members of the general public.

The Chicago Reporter will work with NBC 5 Chicago (WMAQ). Kimbriell Kelly, editor and interim publisher of *The Reporter*, was quoted on her organization's website as saying that "[t]he Chicago Reporter is looking forward to combining our 40 years of investigative reporting and analysis around race and poverty with the heft of the investigative staff at NBC. As newsrooms cut back on resources, it's refreshing that NBC/Comcast has remained committed to expanding its capacity through strategic community partnerships."<sup>6</sup>

#### News Partner

#### Station



WHYY ([www.whyy.org](http://www.whyy.org)) is a leading public media provider in the Greater Philadelphia area, serving Southeastern Pennsylvania, Southern New Jersey and all of Delaware and reaching more than one million television viewers, over 400,000 radio listeners and nearly 100,000 unique website visitors at [www.newsworks.org](http://www.newsworks.org) each week. Their coverage focuses on news, education, arts and culture.

WHYY will work with NBC 10 Philadelphia (WCAU). WHYY Executive Vice President and Chief Operation Officer Kyra McGrath praised the initiative by stating, "NBC 10 has a tremendous reach in this region beyond our reach. So we think each partner can bring something to the other."<sup>7</sup>

---

<sup>6</sup> M. Zamudio, *The Chicago Reporter* partners with NBC 5, <http://www.chicagoreporter.com/news/2011/12/chicago-reporter-partners-nbc-5> (Dec. 6, 2011).

<sup>7</sup> C. Mimidis, NBC10 Announces New Partnership with WHYY, <http://www.nbcphiladelphia.com/news/local/NBC10-Announces-New-Partnership-With-WHYY-135103868.html> (Dec. 6, 2011).





KPCC ([www.kpcc.org](http://www.kpcc.org)) is Southern California Public Radio's flagship station, reaching more than 650,000 listeners every week in the Los Angeles area and Orange County with award-winning local news and public radio's signature programs. KPCC has garnered over 200 journalistic honors including three Distinguished Radio Journalist awards from the Greater LA Chapter of the Society of Professional Journalists and the 2008 top honor for Breaking News from the LA Press Club. KPCC also features signature public radio programs from American Public Media, the BBC and Public Radio International.

KPCC will work with NBC4 LA (KNBC). KPCC's News Director Paul Glickman said of NBC4 LA, "It's their goal to improve their local news coverage. That's what this is about for them. And they look to us as a logical place to turn because of our reputation for the high quality of our news coverage."<sup>8</sup>

## CURRENT STATUS

---

These four agreements, plus the existing one in San Diego, mean that the NBC Owned Stations division is engaged in local news partnerships in 50 percent of its markets.

The new partnerships started immediately following the announcement. The partnerships will feature a variety of elements, including developing stories, conducting research and investigations, sharing footage and other content across multiple platforms, providing promotional assistance and cross-linking websites.

All four new stations participating in the partnerships kicked off the new arrangements by holding joint editorial planning meetings with the non-profit partners. Although these collaborations are still in the early planning stages, the efforts by the NBC stations and their partners are already producing results. For example, *The Chicago Reporter* and NBC 5 Chicago recently joined forces in an investigation concerning the business dealings of Dr. Leon Finney Jr., a high-profile Chicago minister and community organizer who controls tens of millions of dollars in government grants for subsidized housing and community programs. Following an investigative piece which appeared in *The*

---

<sup>8</sup> See Press Release: KPCC plans investigative/enterprise news partnership with NBC LA, <http://www.scpr.org/news/2011/12/06/30219/kpcc-plans-investigativeenterprise-news-199/> (Dec. 6, 2011).

*Reporter's* bi-monthly magazine,<sup>9</sup> *The Reporter* and NBC 5 Chicago assembled a joint team to conduct a deeper investigation into additional non-profit projects controlled by Dr. Finney and his wife in addition to those covered in *The Reporter's* story. The results of the investigation aired in a segment featured on the NBC 5 Chicago news during the week of January 16, 2012,<sup>10</sup> and articles were posted on the NBC 5 Chicago website.<sup>11</sup> *The Reporter* and NBC 5 Chicago will continue collaborating on this story and its developments.

In New York, ProPublica recently provided NBC 4 New York a briefing on a new interactive news application. As a result, NBC 4 New York is working on a story that will air in February. Additionally, the station has shared the details with the other NBC Owned Television Stations so they can determine if they want to do their own local stories.



---

<sup>9</sup> See A. Caputo, *The Chicago Reporter: Following Finney* (Jan.-Feb. 2012), reprinted online at <http://www.chicagoreporter.com/news/2012/01/following-finney> (Jan. 2, 2012).

<sup>10</sup> Video of broadcast available at: <http://www.nbcchicago.com/video/#!/news/local/video-override/Questions-of-Financial-Impropriety-Dog-Woodlawn-Organization/137734768> (Jan. 19, 2012).

<sup>11</sup> See, e.g., A. Caputo, *Reporter Investigation: Landlord, Daley Ally Makes 'Slumlord' List*, <http://www.nbcchicago.com/news/local/Politically-Connected-Landlord-Makes-Slumlord-List-136833258.html> (Jan. 6, 2012)



JAN. 2012

# PROGRESS REPORT

## **APPENDIX C**



# PEG Pilot Program

---

## Progress report on the PEG Video On Demand and Online platforms

---

July 28, 2011

# Our P|E|G Trial Communities



**FRESNO**  
California

.....



**HIALEAH**  
Florida

.....



**HOUSTON**  
Texas

.....



**PETERBOROUGH**  
New Hampshire

.....



**PHILADELPHIA**  
Pennsylvania

.....



**MEDFORD**  
Massachusetts



# PEG Pilot Program

July 28, 2011

This report describes the progress of Comcast's pilot platform to host PEG [Public, Educational and Governmental] content on Comcast's Video On Demand ("VOD") and On Demand Online ("Online") platforms.

## Scope of the Commitment

Over the next three years, Comcast will work with community, political and PEG leaders in each of the five communities selected for this pilot program to see how best to make local programming available on VOD and Online platforms.

## Pilot Communities

On February 28, 2011, Comcast submitted a letter to the Federal Communications Commission announcing the five municipalities selected to participate in the PEG pilot program.<sup>1</sup> The five participating municipalities are:

- The City of Fresno, California;
- The City of Hialeah, Florida;
- The Town of Peterborough, New Hampshire;
- The City of Philadelphia, Pennsylvania, and;
- The City of Houston, Texas.

In addition, Comcast decided to work with a sixth community—the City of Medford, Massachusetts—as a “laboratory” to trial implementation approaches before launching Online and VOD platform programs in the five PEG pilot communities.

## Preliminary Work and Consultations with the Pilot Communities

Comcast approached the mayors of these six municipalities with an idea designed in part to inspire each community to begin thinking about its PEG programming needs. The goal was to engage the relevant stakeholders to define each community's media requirements and kick-start each community's effort to define strategic goals for their hyper-local programming, by engaging in a first step, “new media” project.

We branded this initiative **Project Open Voice**. Comcast worked with the mayors' offices in each municipality to develop a public service campaign consisting of a public service announcement (“PSA”) and an associated website designed to promote an issue of interest for the community. The

---

<sup>1</sup> See Letter from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, at 1 (Feb. 28, 2011).

PSA theme chosen by each community is featured on the Project Open Voice website ([www.projectopenvoice.com](http://www.projectopenvoice.com)), a copy of which is attached hereto as an Exhibit.

Subsequently, between April and June, Comcast went back to each pilot community as well as Medford and began discussions focused specifically on the pilot projects involving PEG distribution on VOD and Online. As required by Section XIV.4.b of Appendix A to the Comcast-NBCUniversal Order,<sup>2</sup> Comcast held community “forums” with local leaders, including city officials, community leaders and PEG programmers in each of the trial communities to get direction on which PEG programming would most benefit residents by being placed on VOD and Online.<sup>3</sup>

The information provided by the participants in these meetings has guided the development of the on demand models —particularly for Online— for delivery of locally-produced content catered to each community’s needs and interests.

Each community will have a customized website to serve as the online portal to the community’s Online PEG content. Among other things, PEG forum participants were shown a prototype of the Online web portal that Comcast had presented for Medford’s consideration (shown below), to illustrate one possible approach.



<sup>2</sup> In the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. For Consent to Assign Licenses and Transfer Control of Licensees, Memorandum Opinion and Order, MB Docket No. 10-56, 26 FCC Rcd 4238 (2011) (the “Order”).

<sup>3</sup> Of course, as required by the Order and consistent with Comcast’s own practice, all decisions regarding the PEG content ultimately to be provided for the VOD and Online projects are ultimately within the full discretion of the communities. Comcast does not exercise editorial control over those decisions, and will support whatever content the communities decide to include.

In addition, Comcast prepared a brief video presentation to explain the functionality of the sample Medford Online site. The video is available at [youtube.com/watch?v=ZvkGxHI2518](http://youtube.com/watch?v=ZvkGxHI2518).



Our local teams have been in regular contact with the communities since the forums were held. Each community will be engaged throughout the months of August and September to identify existing PEG content for placement on VOD in October.

### **Ongoing Work in Support of VOD and Online Platform Deployment**

Comcast has been taking various steps to ready the VOD platform in each pilot community in order to meet the October 28, 2011 launch date for the PEG VOD trials. Among other things, Comcast has worked with local VOD content managers and engineers in the Comcast system for each community to confirm that each cable system has facilities that can support delivery of PEG content to subscribers and to verify that each system has allocated capacity to host PEG programming on its VOD storage sites. Comcast is also working with local VOD content managers to identify the appropriate on-screen menu placement of new PEG content for customers.

Comcast has also had both in-person and telephonic meetings with community leaders, PEG programming personnel and local government officials in each pilot community to discuss which programming should be placed on VOD.

To date, good progress has been made on Comcast's and the communities' sides, and no issues have been identified that should hamper placement of PEG programming on VOD in the pilot communities by the October 28, 2011 deadline.

Development of the PEG Online pilot is similarly ongoing and on track to meet the January 28, 2012 deadline. Comcast has engaged the services of an interactive platform developer to build the Online foundation and functionality which will be deployed across all six local Online portals. The developer was chosen primarily for its breadth of experience in

developing the hardware and software architecture used by Comcast in other Online and streaming platforms.

Comcast is also making progress in the design of the local Online websites. After issuing a request for proposals, in mid-July Comcast selected three web design vendors to trial different creative design concepts (i.e., the look-and-feel, graphics and other multimedia components) based on each community's feedback. Each web developer has been assigned two of the six communities. Relying on three different web designers allows Comcast to experiment with three distinct creative approaches to the Online user experience with the objective of choosing the best elements from each for future Online development.

In addition, Comcast has engaged local consultants in each community to provide guidance regarding community needs and interests that the community, in turn, can use in developing PEG Online content. The consultants will work with local officials, and Comcast's local teams, so that the sites reflect each community's unique needs.





project  
open  
voice

Comcast®



[ABOUT](#)
[PHILADELPHIA](#)
[HIALEAH](#)
[HOUSTON](#)
[PETERBOROUGH](#)
[FRESNO](#)
[MEDFORD](#)

[HOME](#)

### Welcome to Project Open Voice!

Good local TV programming connects a community's residents. As part of Comcast's continuing support for public, educational and governmental (PEG) programming, we launched an initiative to explore new and innovative ways that this local programming can be made available in a community.

The name of this initiative is Project Open Voice.

Over the next three years, we will work closely with community, political and PEG leaders in six communities to see how best to make local programming available. Our community partners are Fresno, California; Hialeah, Florida; Peterborough, New Hampshire; Philadelphia, Pennsylvania; Houston, Texas; and Medford, Massachusetts. These communities represent a cross-section of American culture and diversity. Working together with our city partners, we hope to develop and test exciting new online and On Demand models for better delivery of locally produced content. We want to help residents get the kind of information that really connects them with what's going on around their hometowns -- the places where they live, work, learn and play. We look forward to exploring new ideas, and learning from our local partners.

### Why is this important?

Local TV programming serves and enriches local communities by promoting diversity, a free market of ideas, and an informed and well-educated citizenry. PEG programming provides cable subscribers with locally oriented educational information as well as a window into the operation of their state and local government, and provides local citizens with a forum for public discussion and expression. This programming helps to inform community members and improves the quality of their lives. We need to ensure that as technologies change, and the way people watch TV change, local programming keeps pace.

### Why do a public service campaign?

Once we selected the pilot communities, we wanted to learn more about them. Our project team focused on the different histories, cultures and current affairs of each place. We wanted to understand how the people who live there used their local media. How do they watch TV? Where do they prefer to go to follow local news, sports, entertainment? How do they connect with the world around them?

We spoke with residents, city officials, PEG teams and our local staffers who live in each area. Then, we developed a unique public service announcement (PSA) campaign around an issue or objective of importance for each community -- issues like parks, pet adoption, environmentalism and volunteerism. We used various new and traditional methods to spread the word about these campaigns, allowing us to explore the relationships that could develop by integrating typical TV content with the convenience of online and On Demand services.

### Innovate=Collaborate

We will collaborate with our partners (including elected officials and their staffs, PEG channel coordinators and residents) to plan how we can build customized online portals that each community can use to launch and stream digital programming and other helpful and entertaining resources to their residents. In addition, we want to help our partners reach out more effectively to attract new audiences.



### Follow Us

Sign up for automatic email dispatches or *join the journey* by sending your ideas and suggestions to [Project\\_Open\\_Voice@Cable.Comcast.com](mailto:Project_Open_Voice@Cable.Comcast.com).

[Home](#) | [About The Program](#) | [Philadelphia, PA](#) | [Hialeah, FL](#) | [Houston, TX](#) | [Medford, MA](#) | [Peterborough, NH](#) | [Fresno, CA](#)  
[Comcast.com](#) | [Comcast.net](#) | [About Comcast](#) | [Privacy Statement](#)



Copyright © 2011 Comcast. This website also contains material copyrighted by 3rd parties including City of Medford, Fresno/Clovis Convention & Visitors Bureau, California State University, Fresno/Arts & Humanities, Fresno State, Fresno Film Commission, Town of Peterborough, City of Hialeah, Greater Houston Convention and Visitors Bureau, and VisitPhilly.com

[ABOUT](#)
[PHILADELPHIA](#)
[HIALEAH](#)
[HOUSTON](#)
[PETERBOROUGH](#)
[FRESNO](#)
[MEDFORD](#)

**FRESNO, CA**  
Parks and Recreation  
ADOPT-YOUR-PARK

City of  
**FRESNO**

0:00 / 0:00

YouTube

### Putting down some new roots

[Share](#) 0
 [Tweet](#) 0
 [Email](#) 0



March 29, 2011

The fifth largest city in California, Fresno means “ash tree” in Spanish and the tree’s leaf is symbolized on the city’s flag. Fresno is the economic hub for the nation’s most bountiful agricultural region, the San Joaquin Valley. Fresno is also the largest community located on the 2012 first phase of an eventual 800-mile high speed rail project that will stretch from San Francisco/Sacramento to San Diego with trains that travel over 220 mph between destinations.

The “Best Little City in the U.S.A.” is proud of its agricultural heritage and values the benefits of the beautiful green spaces woven throughout in its vibrant community of historical and modern neighborhoods.

For our pilot project here, folks at the City of Fresno asked if we could help them build awareness for their Adopt-A-Park initiative. The city has a total of 75 parks – including regional parks, neighborhood parks, action sports facilities, play structures and golf courses.



The Adopt-A-Park program was designed to gain public support to preserve and beautify the City’s urban green spaces. Individuals and groups are encouraged to sign up to “adopt” a park, assisting with the care and restoration of these great spaces. The campaign we developed consisted of a PSA that directed residents to a new Adopt-A-Park website we created about the program.



[Home](#) | [About The Program](#) | [Philadelphia, PA](#) | [Hialeah, FL](#) | [Houston, TX](#) | [Medford, MA](#) | [Peterborough, NH](#) | [Fresno, CA](#)  
[Comcast.com](#) | [Comcast.net](#) | [About Comcast](#) | [Privacy Statement](#)


Copyright © 2011 Comcast. This website also contains material copyrighted by 3rd parties including City of Medford,  
 Fresno/Clovis Convention & Visitors Bureau, California State University, Fresno/Arts & Humanities, Fresno State, Fresno Film Commission,  
 Town of Peterborough, City of Hialeah, Greater Houston Convention and Visitors Bureau, and VisitPhilly.com


[ABOUT](#)
[PHILADELPHIA](#)
[HIALEAH](#)
[HOUSTON](#)
[PETERBOROUGH](#)
[FRESNO](#)
[MEDFORD](#)

**HIALEAH, FL**  
After School Programs  
CREATIVE LEARNING & PLAY





### Post time Hialeah

[Share](#) 0
 [Tweet](#) 0
 [Email](#) 0

March 29, 2011

Sunny Hialeah, Florida, is celebrated for its large Hispanic and Latin community makeup, and is home to a vibrant business community mix of national retailers and family owned shops. Telemundo, the second largest Spanish language TV network in the United States is headquartered here. The city is also home to Hialeah Park Racetrack, one of the oldest existing recreational facilities in southern Florida. The beautiful park surroundings have also been officially designated a sanctuary for the American Flamingo by the Audubon Society.



Mayor Julio Robaina and the City put a special emphasis on making quality after-school activities available for children and youth. So after talking with local leaders, we partnered with the City to encourage more kids to get involved in the "Creative Learning & Play" (CL&P) K-8 after-school program that is held at 11 park locations throughout Hialeah. The program provides children with affordable, high quality activities in a safe, fun, and encouraging environment. Activities include reading, tutoring, homework assistance, social skills development, nutrition, fitness, recreation and special interest classes.

Working with the City, we created a bilingual promotional campaign around the CL&P programs using 30-second public service TV announcements (shown above) featuring Mayor Julio Robaina and a cast of very happy young participants. The PSA directs families to go online to the CL&P pages on the city's website to get more information about the program.



Home | About The Program | Philadelphia, PA | Hialeah, FL | Houston, TX | Medford, MA | Peterborough, NH | Fresno, CA  
Comcast.com | Comcast.net | About Comcast | Privacy Statement


Copyright © 2011 Comcast. This website also contains material copyrighted by 3rd parties including City of Medford, Fresno/Clovis Convention & Visitors Bureau, California State University, Fresno/Arts & Humanities, Fresno State, Fresno Film Commission, Town of Peterborough, City of Hialeah, Greater Houston Convention and Visitors Bureau, and VisitPhilly.com

[ABOUT](#)
[PHILADELPHIA](#)
[HIALEAH](#)
[HOUSTON](#)
[PETERBOROUGH](#)
[FRESNO](#)
[MEDFORD](#)

**HOUSTON, TX**  
 Responsible Pet Ownership  
 BARC



**Helping everyone's best friends in Texas**

[Share](#) 0
 [Tweet](#) 0
 [Email](#) 0

March 29, 2011



Houston has friendly people, a ready-to-go business infrastructure, affordable housing costs, beautiful sports venues, a first-class symphony and health care system – even a nearby national forest. The city is one of the fastest-growing metropolitan areas in the U.S.

Like many major cities, Houston faces challenging circumstances for its animal population and control. The City is committed to promoting responsible pet ownership through spaying/neutering, microchipping, vaccinations, and training classes. So we sat down with people in the city administration and Animal Shelter and Adoptions Department to help them find a way to curb the number of animal abuse, neglect, and stray incident reports in the city.

Together, we crafted a campaign to educate the city's residents about responsible pet care and what the city's Animal Shelter and Adoption facility calls the "four Ls": License, Leash, Latch and Love activities.

The campaign consisted of a traditional TV PSA featuring Mayor Annise Parker and some furry friends (see above) that directs residents to a new website we created for the newly named BARC animal information center. We also made available Video On Demand content that showcased pets available for adoption through the center, and created special BARC t-shirts to promote the program.

"These guys give us a lifetime of happiness," Mayor Parker states in the PSA. "Shouldn't we do the same for them?"







[Home](#) | [About The Program](#) | [Philadelphia, PA](#) | [Hialeah, FL](#) | [Houston, TX](#) | [Medford, MA](#) | [Peterborough, NH](#) | [Fresno, CA](#)  
[Comcast.com](#) | [Comcast.net](#) | [About Comcast](#) | [Privacy Statement](#)



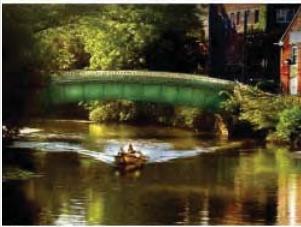

Copyright © 2011 Comcast. This website also contains material copyrighted by 3rd parties including City of Medford,  
 Fresno/Clovis Convention & Visitors Bureau, California State University, Fresno/Arts & Humanities, Fresno State, Fresno Film Commission,  
 Town of Peterborough, City of Hialeah, Greater Houston Convention and Visitors Bureau, and VisitPhilly.com




[ABOUT](#)
[PHILADELPHIA](#)
[HIALEAH](#)
[HOUSTON](#)
[PETERBOROUGH](#)
[FRESNO](#)
[MEDFORD](#)

**MEDFORD, MA**  
Environmentalism  
GOOD JOB MEDFORD



### On the go in Massachusetts

[Share](#) 0
 [Tweet](#) 0
 [Email](#) 0

March 29, 2011

Next stop Medford, Massachusetts – an historic community bustling with citizens who are working together to create a bright future. The city was settled in 1630 as part of the Boston neighborhood of Charlestown. Its name is thought to have come from the meaning “ford by the meadow” or “Meadford” acknowledging the importance of the fordable part of the Mystic River located just west of present-day Medford Square. It is also home to Tufts University.

This is a great town of active sports fans, history buffs, philanthropists, college students and movers and shakers of all kinds. James Plimpton invented the roller skate here in 1863, Fannie Farmer started a cooking movement (hers were the first recipes with accurate measurements), and Amelia Earhart spent time here as a social worker.

Medford also is the first city in Massachusetts to draft a Climate Action Plan and install a commercial-scale wind turbine at a municipal school in the state. Citizens of Medford just knew that this was an important step that they needed to take together to help preserve community resources and be responsible stewards of their environment.



The city works closely with its residents to promote energy sustainability as a responsible way of life. Through its many demonstrated and promotional efforts, Medford hopes to inspire other communities to adopt similar programs.

City leaders asked if we could help them get the word out about their Go Green Medford umbrella program of environmentally positive services and activities. Our pilot project with them included a public service announcement (see it above) that aired on local TV stations, development of the Go Green Website and the distribution of branded, reusable water bottles.



Home | About The Program | Philadelphia, PA | Hialeah, FL | Houston, TX | Medford, MA | Peterborough, NH | Fresno, CA  
Comcast.com | Comcast.net | About Comcast | Privacy Statement




Copyright © 2011 Comcast. This website also contains material copyrighted by 3rd parties including City of Medford, Fresno/Clovis Convention & Visitors Bureau, California State University, Fresno/Arts & Humanities, Fresno State, Fresno Film Commission, Town of Peterborough, City of Hialeah, Greater Houston Convention and Visitors Bureau, and VisitPhilly.com

[ABOUT](#)
[PHILADELPHIA](#)
[HIALEAH](#)
[HOUSTON](#)
[PETERBOROUGH](#)
[FRESNO](#)
[MEDFORD](#)

**PETERBOROUGH, NH**  
 Tourism  
 CATCH UP ON LIFE

### Curries & Ives come to life

[Share](#) 0
 [Tweet](#) 0
 [Email](#) 0

March 29, 2011

Peterborough, New Hampshire, is the quintessential American small town. The town is notable for its beautiful country village setting, arts and cultural treasures (it's the home of the famous McDowell Colony of working artists), galleries and crafts shops. The town is rich early American history and home to 6,000 permanent residents. Peterborough also inspired the setting for the play *Our Town*, written by Thornton Wilder.



Tourism is important to the economic vitality of this charming community, tucked away in the quiet countryside of southern New Hampshire.

As a rural community, Peterborough faces a unique challenge – how to communicate about its activities and events, not only with its residents but also throughout New England. We worked with the people of Peterborough to come up with a campaign using a locally placed PSA and an online promo site, [CatchUpOnLife.com](#), that tout the beauty and amenities of the area and its relative ease of access – “Just a short 90-minute drive from Boston....”


[Home](#) | [About The Program](#) | [Philadelphia, PA](#) | [Hialeah, FL](#) | [Houston, TX](#) | [Medford, MA](#) | [Peterborough, NH](#) | [Fresno, CA](#)  
[Comcast.com](#) | [Comcast.net](#) | [About Comcast](#) | [Privacy Statement](#)

Copyright © 2011 Comcast. This website also contains material copyrighted by 3rd parties including City of Medford, Fresno/Clovis Convention & Visitors Bureau, California State University, Fresno/Arts & Humanities, Fresno State, Fresno Film Commission, Town of Peterborough, City of Hialeah, Greater Houston Convention and Visitors Bureau, and VisitPhilly.com



[ABOUT](#)
[PHILADELPHIA](#)
[HIALEAH](#)
[HOUSTON](#)
[PETERBOROUGH](#)
[FRESNO](#)
[MEDFORD](#)

**PHILADELPHIA, PA**  
Volunteerism  
SERVE PHILADELPHIA




Mayor's Office of  
**Civic Engagement**  
& Volunteer Service

0:00 / 0:00

YouTube



### The Journey Begins

[Share](#) 0
 [Tweet](#) 0
 [Email](#) 0

March 29, 2011

We kicked off our Project Open Voice journey of discovery in Philadelphia, our hometown, and a vibrant city steeped in history, beautiful neighborhoods, great dining and nightlife, and a trend-setting arts and cultural scene that is one of the highlights of the eastern seaboard. It's known as the City of Brotherly Love, and Philadelphians have a natural willingness to give back to their community in meaningful ways.

When we met up with Mayor Nutter and Philadelphia city folks in February, they told us they were looking for new ways to expand volunteerism — there are many volunteer opportunities in the city that suit just about any age or interest. Working together with the city administration, we created a public service campaign that could help them get the word out about new and existing volunteer positions open around town. The "SERVE Philadelphia" campaign was designed to contribute to community vitality by making it easier for citizens of every age to volunteer.

The campaign consisted of a traditional PSA (watch it above) designed to air on local TV stations, paired with grassroots marketing activities, including website development, T-shirts and post card distributions, that directed Philadelphians to the volunteer information website, [ServePhiladelphia.com](#).

Home | About The Program | Philadelphia, PA | Hialeah, FL | Houston, TX | Medford, MA | Peterborough, NH | Fresno, CA  
Comcast.com | Comcast.net | About Comcast | Privacy Statement

Copyright © 2011 Comcast. This website also contains material copyrighted by 3rd parties including City of Medford, Fresno/Clovis Convention & Visitors Bureau, California State University, Fresno/Arts & Humanities, Fresno State, Fresno Film Commission, Town of Peterborough, City of Hialeah, Greater Houston Convention and Visitors Bureau, and VisitPhilly.com



[WWW.COMCAST.COM/PEG](http://WWW.COMCAST.COM/PEG)



## **APPENDIX D**

# PEG Pilot Program

---

## Progress report on the PEG Video On Demand and Online platforms

---

January 2012



# PEG Pilot Program Status Report

*For the period of July 28, 2011 through January 28, 2012*

This report describes the progress of Comcast's pilot program to host PEG [Public, Educational and Governmental] content on Video On Demand ("VOD") and On Demand Online ("Online") platforms, consistent with the commitments and deadlines set forth in Section XIV.4 of Appendix A to the Comcast-NBCUniversal Order.<sup>1</sup>

## Background

Our July 2011 Report<sup>2</sup> described the initial steps Comcast took to design and populate its PEG VOD and Online pilot program in the six trial communities.<sup>3</sup> Among other things, Comcast engaged PEG stakeholders in each community to explore which VOD and/or Online PEG programming would most benefit residents, and engaged in various preparations to ensure that it could initiate placement of each community's selected PEG programming on both the VOD and Online.

Comcast is pleased to report that it successfully launched both its PEG VOD and PEG Online platforms, and we provide updated information here about our efforts and accomplishments.

## Placement of PEG Content on Comcast VOD

By October 28, 2011 (*i.e.*, within nine months of the closing of the Comcast-NBCUniversal Transaction as required by Section XIV.4.c.ii of the Order), Comcast had successfully initiated placement of community-designated PEG content on its local VOD servers. As of January 2012, a total of approximately 12 hours of PEG programming has been hosted by the local VOD servers in the pilot communities. This value will continue to grow as the communities refresh the content placed in their designated folders.

---

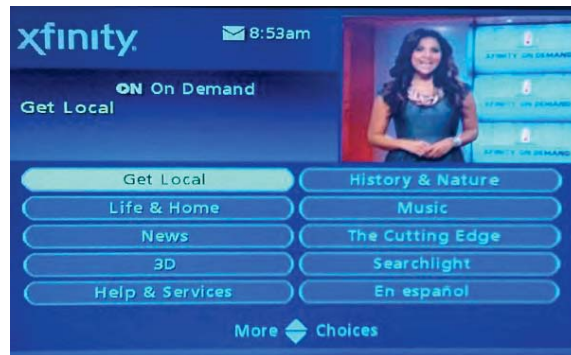
<sup>1</sup> In the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (the "Order").

<sup>2</sup> See Letter from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Comcast Corporation, to Marlene H. Dortch, Secretary, Federal Communications Commission, MB Docket No. 10-56 (Jul. 28, 2011) at Attachment B.

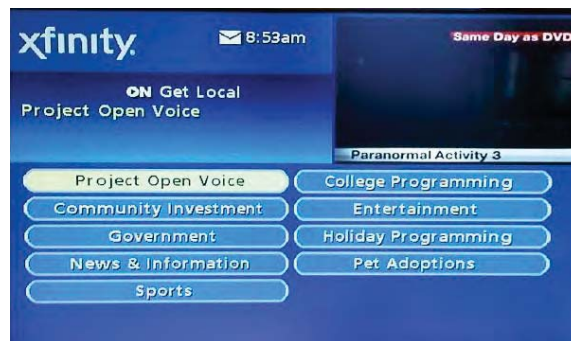
<sup>3</sup> The participating communities are: Fresno, California; Hialeah, Florida; Houston, Texas; Philadelphia, Pennsylvania; and Peterborough, New Hampshire. A sixth community, Medford, Massachusetts, was added to trial the PEG platforms.

## PEG VOD Folder Structure

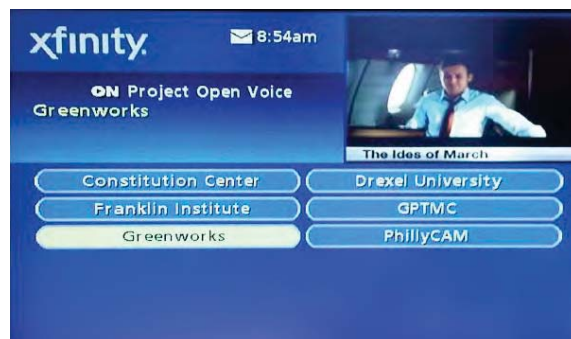
Comcast video subscribers can access the PEG VOD programming for their community by pressing the “On Demand” button in their remote control and navigating to the “Project Open Voice” folder. For example, the steps below illustrate how to reach the “Greenworks” PEG VOD content available in the Philadelphia market.



Select the “Get Local” folder from the folder list on the VOD home menu.



Select “Project Open Voice”. Note: other local content choices may be listed in this menu.



The next menu displays the folder names of all the PEG VOD content designated by the pilot community. Select “Greenworks” to display a list of available PEG VOD content.



All “Greenworks” PEG VOD content chosen by the Philadelphia Office of the Mayor is available in this folder. Users can playback content from here.

Other Philadelphia PEG VOD content is located in folders titled “PhillyCAM” and “Drexel University.” The Get Local – Project Open Voice navigation structure is the same in all of the pilot VOD systems.

### **Managing PEG Content on VOD**

In anticipation of the October 28, 2011 launch, Comcast met with PEG programmers specifically designated by the communities to participate in the VOD project and officials in each pilot community to introduce them to local Comcast VOD professionals. These meetings were also used to train PEG providers on the technical requirements for VOD content submission.

Project Open Voice teams also designed a straightforward submission process for PEG VOD content. Designated PEG programmers simply contact their local Comcast VOD team to request a folder management change or update. Soon after the PEG content is delivered by the PEG Programmer, the local Comcast VOD team converts it to VOD server-compatible format (if necessary), creates the relevant folder location and on-screen menu listing as per the PEG programmer’s instructions. The content is then ready for viewing by Comcast video subscribers within that pilot community.<sup>4</sup> Programming placed in the PEG VOD folders can be refreshed as often as the PEG provider wants, content folders can be added or deleted, or the city can decide to allocate server space to another PEG provider.

Local Comcast VOD teams will continue to work closely with designated PEG content managers to support each city’s VOD folder management needs.

### **Placement of PEG Content Online**

By January 28, 2012 (*i.e.*, within one year of the closing of the Comcast-NBCUniversal Transaction as required by Section XIV.4.iii), Comcast had successfully initiated placement of community-designated PEG content on a new, custom-designed online platform. Assisted by third-party developers, Comcast created six distinct websites to distribute local PEG content online and accessible to anyone on the public Internet.

### **Custom-built Websites for Each Pilot Community**

The names and web addresses chosen by each of the communities for their online platforms are:



[www.gottalovefresno.com](http://www.gottalovefresno.com)



[www.madeinmedford.com](http://www.madeinmedford.com)



<sup>4</sup> It bears emphasizing that Comcast exerts no editorial control over the content selected by each community for PEG VOD placement.



Each community led the design of the branding, visual identity, theme and messaging focus of its Online portal. The result is six unique websites, each with a look and feel specifically tailored to local online media distribution needs. Additional details on the theme chosen by each community are featured on the revamped Project Open Voice website ([www.projectopenvoice.com](http://www.projectopenvoice.com)), a copy of which is attached hereto as Exhibit A.

All sites were launched in beta form and are now generally available to all Internet users. Our web developers and local PEG consultants will continue working with the communities to optimize the design, technical characteristics and viewing experience of each site. This soft launch will be followed by increased promotional and marketing support, including press events and official community launch events, in the near future.

### **Streaming PEG and Local Content**

Each community was tasked with choosing qualified content providers to run "streaming channels" within the sites. Selected content providers then received user rights to manage the online content associated with their accounts, including new content uploads, designating "featured" videos, and other tools they can use to attract more viewers to their channels. Comcast provided common functions on the back-end of each website through a content provider dashboard to make managing content as simple as possible for the providers. The content provider dashboard lets the provider review all of the video, comments, social media and analytics functions all in one place. Video uploads are supported in a range of popular container formats, including .AVI, .MOV, .MP4, and .FLV and in a range of quality levels, including high definition (HD).

All sites were specifically designed to host and stream online PEG content with a format, function and appearance that is instantly familiar to any user of the Internet's popular online video streaming sites. Users can browse and search for videos by typing a keyword, neighborhoods, subject, category, community activity ranking or channel name. Playback is controlled through the characteristic play/pause button with a volume and progress bar.



In addition, Comcast has provided each community with automated tools and suggested guidelines to minimize abuse of the site's features, such as the comments section.<sup>5</sup>

At launch, the sites featured nearly 400 videos of PEG and other local content. Since the Online platform has more capacity than a VOD server provides, communities have the ability to include more programming choices, including programming from traditional PEG providers, and also from other local interest media that the community may wish to share on its website.

Online access has the potential to broaden the accessibility and availability of local PEG and public-interest programming through electronic media on a scale previously unavailable. To support that new reach, Comcast is also providing the content providers with data and analytics to measure the web, social media and video viewership impact of their content in a wide variety of ways.

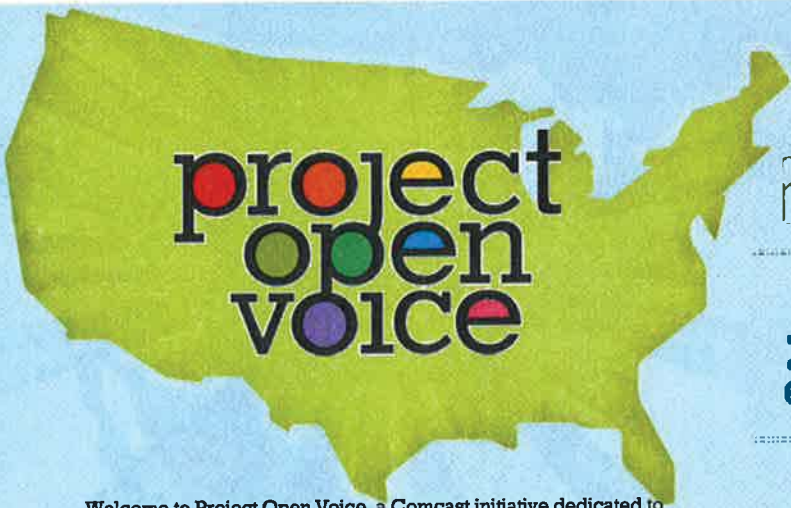


---

<sup>5</sup> Each community is responsible for monitoring and managing its Online portal and Comcast exerts no editorial control over the posted content.

# EXHIBIT A





**project  
open  
voice**

**LOCAL LOOK**  
PETERBOROUGH

**made in  
medford**

**PHILLY  
IN FOCUS**

**iYo Soy!  
Hialeah**

**Houston's**  
Voice



**gotta love  
fresno**

Welcome to Project Open Voice, a Comcast initiative dedicated to the discovery of local content, including public, educational, governmental (PEG) programming. Through Online and OnDemand services in 6 markets, we explore innovative ways to showcase the vibrancy, spirit, and diversity of local communities

**ABOUT PROJECT OPEN VOICE**

**SEE PROJECT OPEN VOICE IN ACTION**  
Learn more about our six pilot locations.

**comcast** © 2012 Comcast Copyright Legal Policies

Follow Project Open Voice →  

**CONTACT US**





## ABOUT PROJECT OPEN VOICE

Project Open Voice is a commitment to broaden the discovery of local content, including public, educational and government (PEG) programming. We seek to address the questions of diverse demand for local content in different communities and the variety of ways to deliver it. Comcast is working in six trial markets to find answers: Peterborough, NH; Medford, MA; Philadelphia, PA; Hialeah, FL; Houston, TX; and Fresno, CA.

Because of Comcast's commitment to PEG in local communities, they became a focal point for the project. Working with those providers, along with community leaders, non-profits and independent producers, we developed online and OnDemand platforms for all partners to use freely. We will continue to learn & adapt, and encourage you to explore Project Open Voice regularly.

### WATCH AND LEARN

Watch these videos to learn more about Project Open Voice.

Share



### OUR MISSION & MORE..



Understand our dedication to supporting local voices, including public, educational and government programmers

[WATCH VIDEO](#)



Hear how POV enjoys close partnerships in our pilot markets with a diverse set of local leaders, groups, and content providers

[WATCH VIDEO](#)



Learn how we will provide our partners with deep data about the consumption of local content across web, social, mobile and OnDemand outlets.

[WATCH VIDEO](#)














© 2012 Comcast. Copyright. Legal Policy

Follow Project Open Voice



[CONTACT US](#)






Follow The Local Look →

While you may not have heard of it, you have undoubtedly read a book, watched a play or admired a painting that is connected in some way to Peterborough's world-famous artist colony. Expect to be surprised.


[VISIT THE LOCAL LOOK](#) [CONTRIBUTE CONTENT](#)


**Site Activity**



33  
Videos Uploaded

1  
Registered Member







0  
No Comments Posted

Share  Facebook  Share

**PEG CONTENT** 1 - 2 of 2




Town of Peterborough  
Ask Us About...Assessing




ConVal School District  
conval chronicle


**LOCAL CONTRIBUTORS** 1 - 3 of 31 [NEXT](#)




InHaus Media  
Local Look Peterborough  
Welcome






Canning Peppers



Yankee Publishing  
Lobster Pie











© 2012 Comcast | Copyright | Legal Policies

Follow Project Open Voice → 




[CONTACT US](#)






Follow Gotta Love Fresno →

Fresno is a city in transition and it has food to thank for it. Nested in a largely agricultural region, the city's thriving restaurant scene, vibrant arts community and large state university make it uniquely Californian.


[VISIT GOTTA LOVE FRESNO](#)
[CONTRIBUTE CONTENT](#)


**Site Activity**



79  
Videos Uploaded


2  
Registered Members






2  
Comments Posted

Share







0

**PEG CONTENT**


1 - 3 of 11 [NEXT](#)



First 5 Fresno County Know The Signs Be Their Voice




Fresno State Million Service Hours




Fresno State First Generation Voice

**LOCAL CONTRIBUTORS**


1 - 3 of 67 [NEXT](#)




KFSR Evening Eclectic



Street Scene with Ryan Jones






Heavy Young Heathens Music Video



© 2012 Comcast. Copyright. Legal Policies

Follow Project Open Voice →

[CONTACT US](#)

Follow Houston's View

The nation's fourth largest city, Houston is the definition of melting pot. A tremendous mix of diverse cultures and faiths translates to tons of incredibly original local programming and modern media consumption.

[VISIT HOUSTON'S VIEW](#)
[CONTRIBUTE CONTENT](#)

### Site Activity

85  
Videos Uploaded

2  
Registered Members

18  
Comments Posted

Share


0

### PEG CONTENT

1 - 3 of 29 NEXT ▶

**Houston Community College System TV**  
Max Your Business

**Houston Television**  
Spotlight Houston: Joe Sample

**Houston Media Source TV**  
Via Color

### LOCAL CONTRIBUTORS

1 - 3 of 56 NEXT ▶

**Positive Image Productions**  
Brianna Turner

**Houston's Voice Welcome**

**VISION Production Group**  
Opportunity Houston - Platos Cave








© 2012 Comcast Copyright Legal Policies


Follow Project Open Voice






[CONTACT US](#)





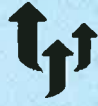
Follow Made In Medford →

Like neighboring Boston, Medford is a blue collar town with a passion for community. The city is on the cutting edge when it comes to PEG programming, community development and environmentally-friendly practices.


[VISIT MADE IN MEDFORD](#)
[CONTRIBUTE CONTENT](#)


**Site Activity**



60  
Videos Uploaded


14  
Registered Members






9  
Comments Posted


Share

 Facebook


 Share

**PEG CONTENT**


1 - 3 of 42 NEXT »



Medford Update 8.16.11 -  
algold 0 2's library x 2 64  
001




Medford Update 10.31.11 -  
algold 0 2's library2 x 2 64




Fiorello 3rd place  
Auerbach Meet 1210 -  
algold 0 2's library x 2 64

**LOCAL CONTRIBUTORS**


1 - 3 of 16 NEXT »




Made in Medford Intro  
Slideshow



made in medford loop  
FP.mov (video quicktime  
Object)\_x 2 64






Fit for Life 5K











©2012 Comcast. Copyright. Legal Policy




Follow Project Open Voice →

[CONTACT US](#)



**PHILLY IN FOCUS**

Follow Philly In Focus →
 



Our beloved home, Philadelphia represents another major metropolitan market. The city's arts and food scenes, educational institutions and active PEG community prove that it is not just a historical landmark, but a modern American city.


[VISIT PHILLY IN FOCUS](#)
[CONTRIBUTE CONTENT](#)


**Site Activity**



90  
Videos Uploaded

4  
Registered Members






3  
Comments Posted


Share
 
 Share 0

**PEG CONTENT**


1 - 3 of 9 NEXT ▶



What Is PhillyCAM699




Pushouts PhillyCAM




Temple University Interstitial - Five and Fit

**LOCAL CONTRIBUTORS**


1 - 3 of 81 NEXT ▶



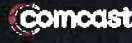
nb rosenbach






nb mattalgeo



Three Legged Fox - Let You Down


 © 2012 Comcast. Copyright. Legal Policies

Follow Project Open Voice →
 



[CONTACT US](#)



# iYo Soy! Hialeah

Follow Yo Soy Hialeah →

Despite being just outside of Miami, Hialeah is anything but palm trees and beaches. A rich cultural heritage, landmark racetrack and tremendous Cuban food and coffee make this city one of our most unique partners.

[VISIT YO SOY HIALEAH](#) [CONTRIBUTE CONTENT](#)

### Site Activity

33  
Videos Uploaded

4  
Registered Members

1  
Comment Posted

Share Facebook Share 0

### PEG CONTENT

1 - 3 of 4 [NEXT](#)

YMCA - Because We Need Each Other

YMCA - Making a Difference

South Florida Autism Charter Schools

### LOCAL CONTRIBUTORS

1 - 3 of 29 [NEXT](#)

NUESTRAS TRADICIONES

NUESTRAS TRADICIONES

NUESTRAS TRADICIONES

© 2012 Comcast. Copyright. Legal Policies.

Follow Project Open Voice → [CONTACT US](#)

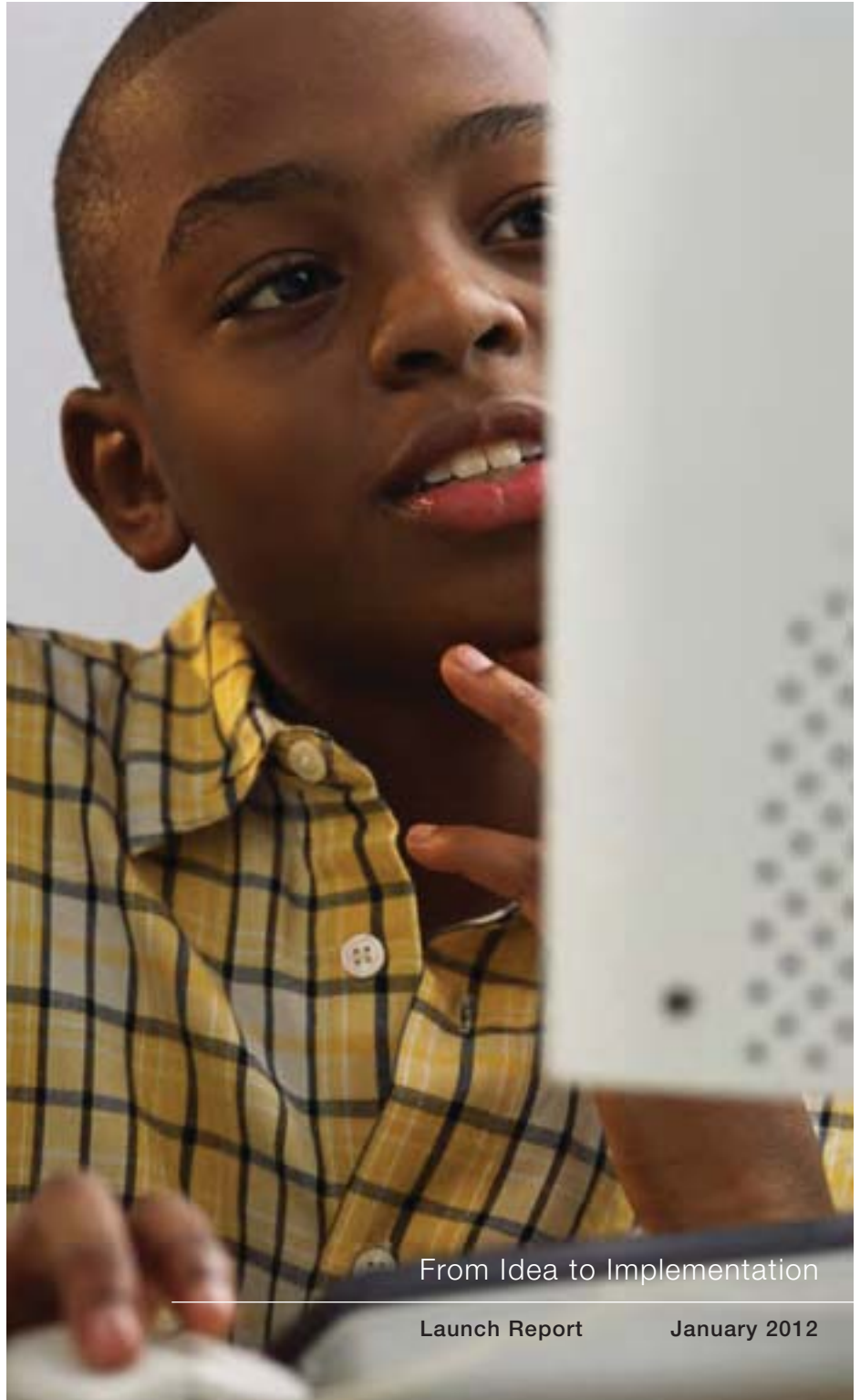
[WWW.COMCAST.COM/PEG](http://WWW.COMCAST.COM/PEG)  
[WWW.PROJECTOPENVOICE.COM](http://WWW.PROJECTOPENVOICE.COM)



## **APPENDIX E**

## Conquering the Digital Divide

Closing  
the Broadband  
Opportunity  
Gap



From Idea to Implementation

Launch Report

January 2012





# Conquering the Digital Divide

## Closing the Broadband Opportunity Gap

### **Contents**

Page 3	A Letter from David L. Cohen
Page 6	Initial Results
Page 12	The Largest and Most Comprehensive Broadband Adoption Experiment of its Kind
Page 14	Areas of Greatest Impact
Page 16	Spreading the Word
Page 26	Comprehensive Stakeholder Engagement Campaign
Page 32	From Call to Install
Page 36	More Than Just Broadband Service
Page 42	Building for the Future
Page 46	Conclusion

# Internet Essentials



About 30% of Americans—many of whom are living near or below the poverty line—remain on the wrong side of the digital divide. They possess little to no computer literacy, do not have broadband access at home and/or do not have a home computer or device capable of supporting high-speed Internet use. As a result, they face profound disadvantages in getting a quality education, strengthening their job skills, obtaining news and entertainment, or accessing the kind of health, educational and financial information that is essential to improving the quality of their lives.

That is the cruel irony of the digital divide. With the Internet, we have this transformative technology that has the potential to level the playing field. But instead of equalizing opportunity, the Internet is actually increasing disparities because of the broadband adoption gap. In other words, the very segment of America that can most benefit from the equalizing potential of the Internet is instead falling further behind because they do not have Internet service at home.

As the nation's largest residential broadband service provider, Comcast is dedicated to bridging the digital divide by narrowing the broadband opportunity gap. We have wired over 99% of our service area for broadband, ensuring that families have access no matter where they live. We invest substantially in digital literacy and broadband adoption programs in the local communities we serve, including Comcast Digital Connectors (in partnership with One Economy), Club Tech at Boys & Girls Clubs and the League of United Latin American Citizens (LULAC) Tech Centers.

In the summer of 2011, we took this commitment further by launching Internet Essentials to expand adoption of broadband Internet by low-income Americans. While the launch of a broadband adoption program targeted to low-income populations in the United States was one of our voluntary commitments in connection with the Comcast/NBCUniversal transaction, that commitment grew out of a multi-year internal project that had identified low-income broadband adoption as Comcast's most important community investment priority, and our implementation of Internet Essentials has already gone far beyond the letter of our voluntary commitment to the Federal Communications Commission (FCC).

Internet Essentials is not just another Comcast product or service. It represents the largest and most comprehensive broadband adoption program anywhere in America, providing low-cost broadband service for \$9.95 a month; the option to purchase a full-service, Internet-ready computer for under \$150; and multiple options for digital literacy training in print, online and in-person.

Research consistently shows that the barriers to broadband adoption involve a complex mix of low digital literacy, perceived lack of relevance of online content and the need for low-cost, good quality computers and Internet service. Internet Essentials is intended to address all of these critical hurdles to broadband adoption.

This report provides an early assessment of our successful launch of Internet Essentials.

While we continue to analyze and make adjustments to Internet Essentials, we have achieved a number of key accomplishments and met several milestones after only a few months of the program. They include:

- Publicizing the program across more than 4,000 school districts and over 30,000 schools, which have approximately 3.5 million National School Lunch Program (NSLP) families, of which approximately 2 million qualify for free meals under the NSLP and are eligible for Internet Essentials;
- Partnering with over 3,000 governors, mayors, local, state and federal legislators, and community-based organizations to promote Internet Essentials and engage eligible families in their communities;
- Offering nearly 300 in-person digital literacy training sessions with more than 1,250 individual attendees;
- Empowering nearly 100,000 Comcast employees to directly connect eligible families in their communities;
- Connecting over 41,000 families (an estimated 160,000 Americans) to the power of the Internet in their homes, some for the very first time; and
- Distributing over 5,500 computers at less than \$150 each.

We have carefully analyzed our own data and also commissioned third-party survey research in connection with our launch of Internet Essentials — including surveying families who have signed up for the program and families who have not. We are pleased and gratified that 86% of Internet Essentials customers surveyed are highly satisfied with the product, and 99% of these surveyed customers would recommend Internet Essentials to others. We have received continuous feedback from potential customers and our community partners, and based on what we have learned, we have already adjusted certain elements of Internet Essentials and remain committed to continue refining the program.

We are now announcing six key enhancements to Internet Essentials:

- First, we will expand the eligibility criteria. Previously, Internet Essentials was available to families with children eligible to receive free school lunches as part of the NSLP. We are extending eligibility to families with children qualified to receive reduced price school lunches as well. We believe that this will make nearly 300,000 additional households in our service area eligible for Internet Essentials—bringing the total to 2.3 million eligible families.
- Second, we will double the speed of the broadband connection provided with Internet Essentials to up to 3 Mbps downstream and up to 768 Kbps upstream, helping to make the service even more attractive.
- Third, we will give our community-based organization partners the ability to purchase Internet Essentials in bulk to help reach more eligible households with a streamlined and more customer-friendly process.

- Fourth, we will further streamline the approval process by providing an instant approval process for families whose students attend schools with the highest percentage of NSLP participation, including Provision 2 schools.
- Fifth, we will expand and enrich our online and in-person digital literacy training efforts.
- Sixth, we will work with Connect to Compete to try to reduce the hardware costs for Internet Essentials eligible families, and to promote the importance of digital literacy and broadband adoption.

As gratifying as our early results are to Comcast, we recognize that there is still a long road ahead. We knew this was not going to be an easy task. But we remain firmly committed to the important cause of providing low-income families with an opportunity to connect to affordable broadband service, purchase discounted computer equipment and receive the digital literacy training they need.

And with the help of public officials, civic leaders, school districts, local community-based organizations and other partners across the country, Internet Essentials will continue to make a profound difference in the lives of those it touches.

There is no higher community investment priority for our company—or for the leadership of our company personally—than Internet Essentials. We are pleased to provide this report on our progress.

Sincerely,



David L. Cohen  
Executive Vice President  
Comcast Corporation

Comcast Executive Vice President David L. Cohen enjoys time with students from the Neighborhood Learning Alliance at the Internet Essentials launch event in Pittsburgh, PA.







# Initial Results

We connected over 41,000 low-income families to the Internet, bringing approximately 80,000 students and an estimated 160,000 people online.

Since launching Internet Essentials in the 2011 back-to-school season, we received over 400,000 phone calls inquiring about the program, through December 2011.

More than one in five callers (more than 91,000) requested and received an Internet Essentials application. Of these, nearly 51,000 (over 55%) submitted the application, and 94% of the completed applications were approved.

According to a sample customer survey, families who completed the application found it easy to complete. In a similar quality assurance survey of families who did not return their applications, 81% stated they still intend to return the applications (this may well be overstated). In fact, in the earliest cohorts of requested applications, those from August and September of 2011, more than 60% of the applications have been completed (a higher rate than the overall average). In all, only 13% said they had decided not to complete the application. The reason most often given was they did not want/need the service or they realized they did not qualify.

We connected over 41,000 low-income families to the Internet, bringing approximately 80,000 students and an estimated 160,000 people online. This represents 2% of the estimated eligible free school lunch students in our service area after less than half a year of operation of the Internet Essentials program.

Only 3.5% of applications requested were denied. Most of these applications were incomplete or had erroneous information. We have, however, followed up with the vast majority of the families submitting these applications by providing a replacement application and asking them to correct or complete the application and then resubmit it for approval.

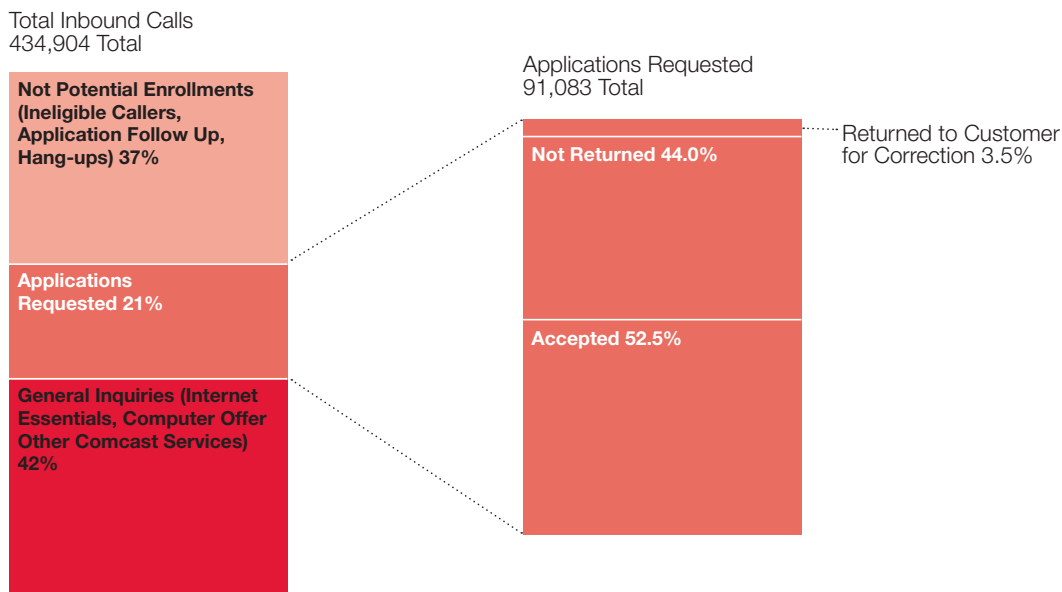
Of the almost 345,000 callers that did not request an application, most (53%) were simply requesting general information about the program. An additional 23% did not qualify for the program. (The largest number of these did not live within a Comcast service area, but this category also includes callers who had subscribed to Comcast Internet services within the last 90 days, callers subject to Comcast collection activity and callers who did not have children eligible for a free lunch under the NSLP.) Another 17% of the 345,000 callers had follow-up questions about their applications.

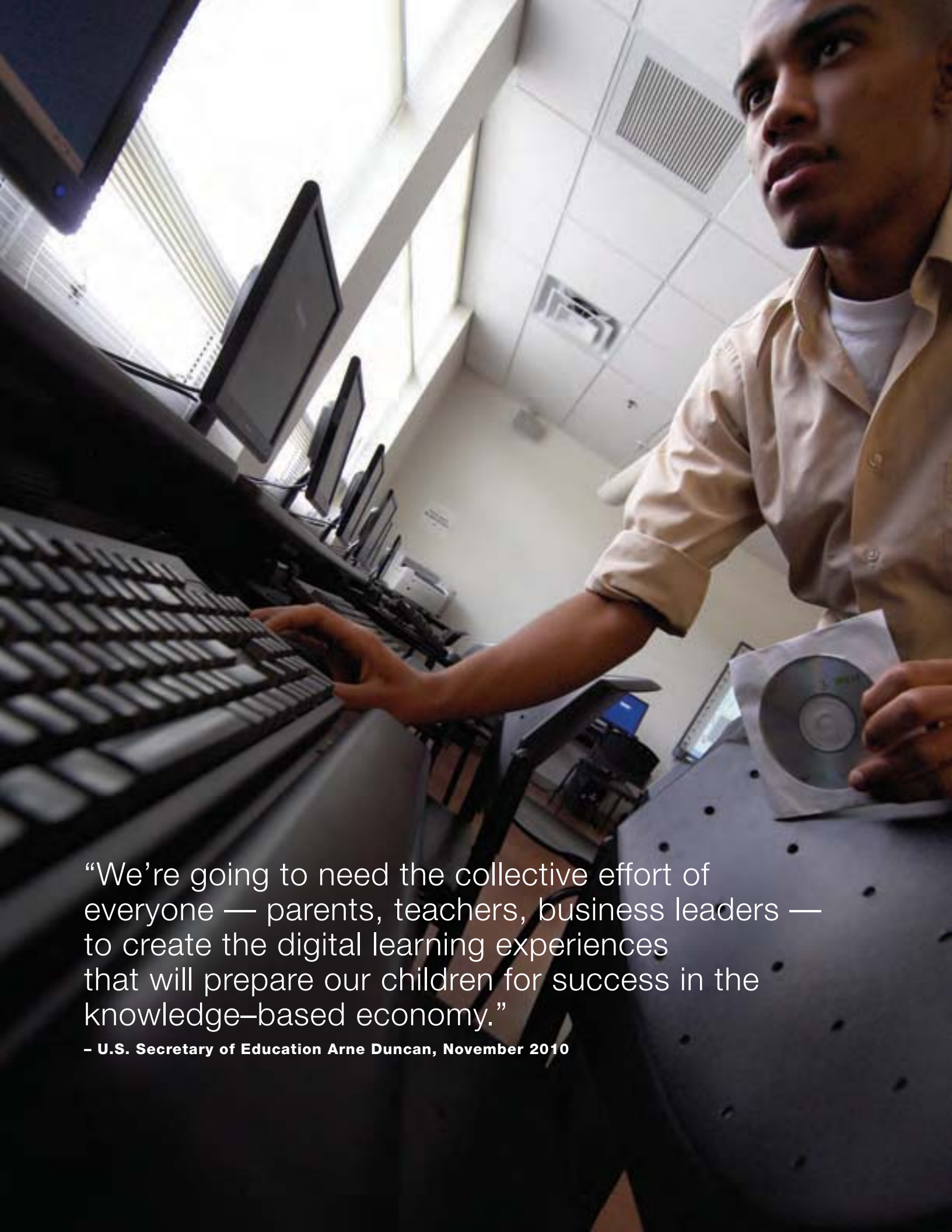


## A summary of the specific metrics through December 2011 is as follows:

- 434,904 calls into the dedicated Internet Essentials call center
  - 78,956 calls were ineligible for Internet Essentials (18% of the total and 23% of the callers who did not request applications)
  - 58,027 calls were follow-ups to previous orders (13% of the total and 17% of the callers who did not request applications)
  - 25,278 were dropped calls and hang ups (6% of the total)
  - 181,560 were calls requesting general information about the program (42% of the total and 53% of the callers who did not request applications)
  - 91,083 were calls that resulted in applications being sent (21% of the total)
- 91,083 applications requested
  - 52.5% or 47,786 were submitted and accepted; 3.5% or 3,168 were submitted but returned to customer for correction
  - 44% or 40,129 were never returned by the customer
- 41,729 families were connected with Internet Essentials, representing approximately 80,000 students and an estimated 160,000 low-income Americans
- 5,531 Internet Essentials families elected to purchase discounted computers through the program

## Internet Essentials Calls and Resulting Applications

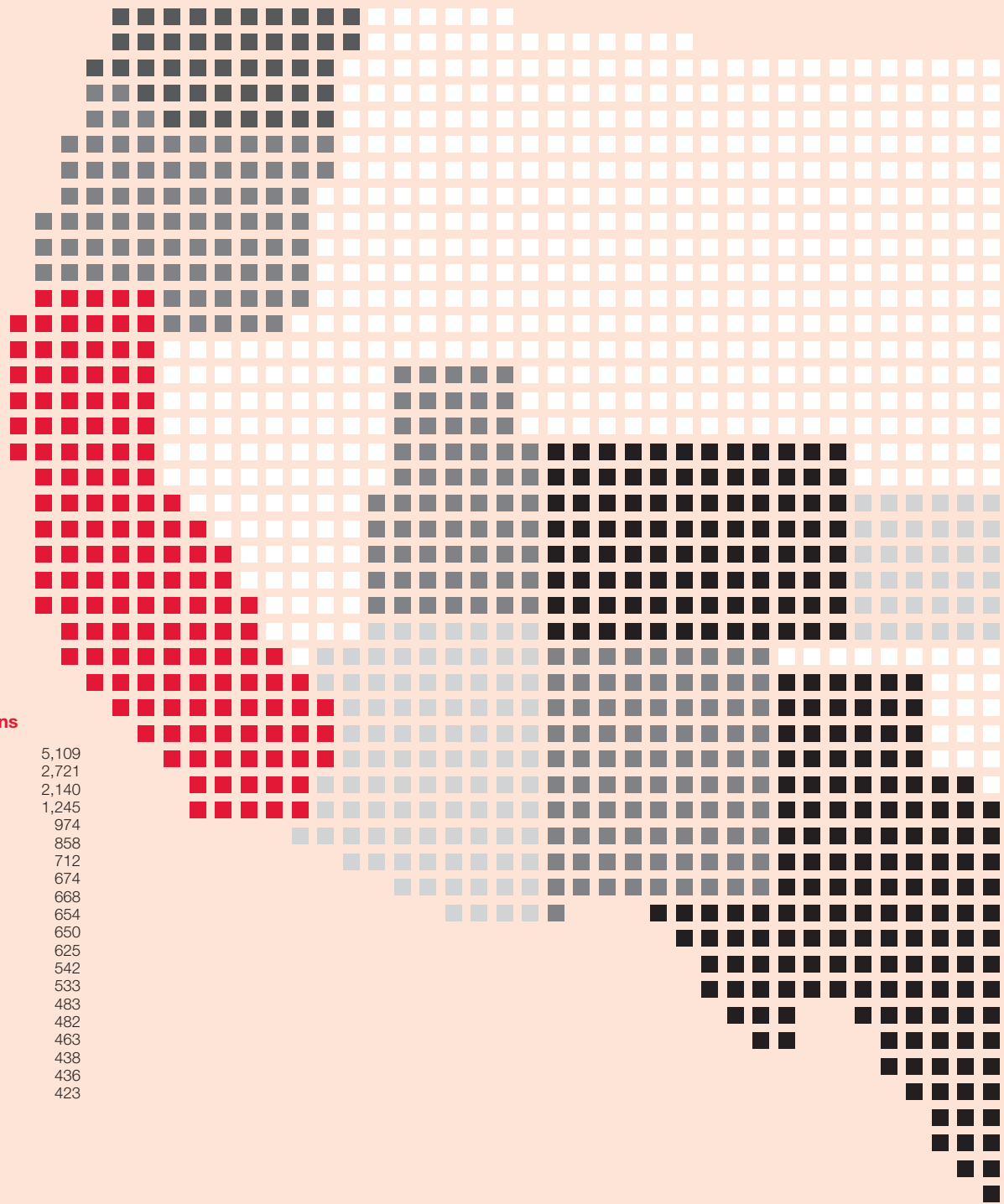




“We’re going to need the collective effort of everyone — parents, teachers, business leaders — to create the digital learning experiences that will prepare our children for success in the knowledge-based economy.”

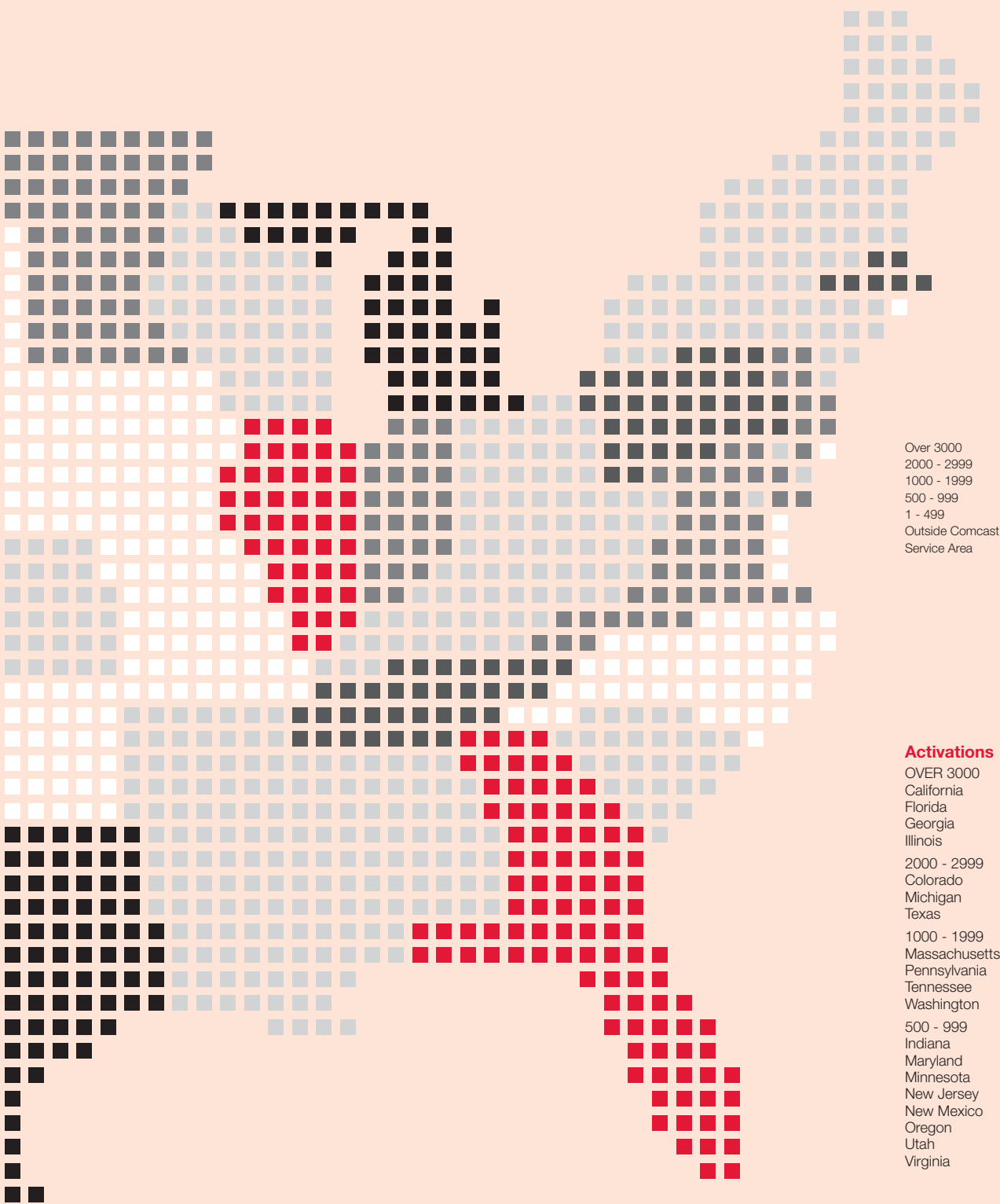
– U.S. Secretary of Education Arne Duncan, November 2010

# INTERNET ESSENTIALS ACTIVATIONS



## Top County/State Activations

Cook	Illinois	5,109
Miami Dade	Florida	2,721
Harris	Texas	2,140
Broward	Florida	1,245
Wayne	Michigan	974
Fulton	Georgia	858
Palm Beach	Florida	712
Dekalb	Georgia	674
King	Washington	668
Sacramento	California	654
Fresno	California	650
Denver	Colorado	625
Cobb	Georgia	542
Bernalillo	New Mexico	533
Adams	Colorado	483
Gwinnett	Georgia	482
Philadelphia	Pennsylvania	463
Alameda	California	438
Shelby	Tennessee	436
Pierce	Washington	423



Over 3000  
 2000 - 2999  
 1000 - 1999  
 500 - 999  
 1 - 499  
 Outside Comcast  
 Service Area



### Activations

OVER 3000	1 - 499
California	Alabama
Florida	Arizona
Georgia	Arkansas
Illinois	Connecticut
2000 - 2999	District of Columbia
Colorado	Delaware
Michigan	Kansas
Texas	Kentucky
1000 - 1999	Louisiana
Massachusetts	Maine
Pennsylvania	Missouri
Tennessee	Mississippi
Washington	New Hampshire
500 - 999	New York
Indiana	Ohio
Maryland	South Carolina
Minnesota	Vermont
New Jersey	West Virginia
New Mexico	Wisconsin
Oregon	
Utah	
Virginia	



A photograph of a woman and a young child, both smiling and looking at a laptop screen. The woman is in the background, and the child is in the foreground, wearing a green and white striped sweater. The text is overlaid on the top left of the image.

# The Largest and Most Comprehensive Broadband Adoption Experiment of its Kind

“We know that the three biggest barriers to broadband adoption are cost, digital literacy, and relevance – that many Americans don’t see broadband as relevant to their lives. The Internet Essentials program takes big steps to address these issues.”

– Federal Communications Commission Chairman Julius Genachowski, September 2011

## Internet Essentials Principal Components

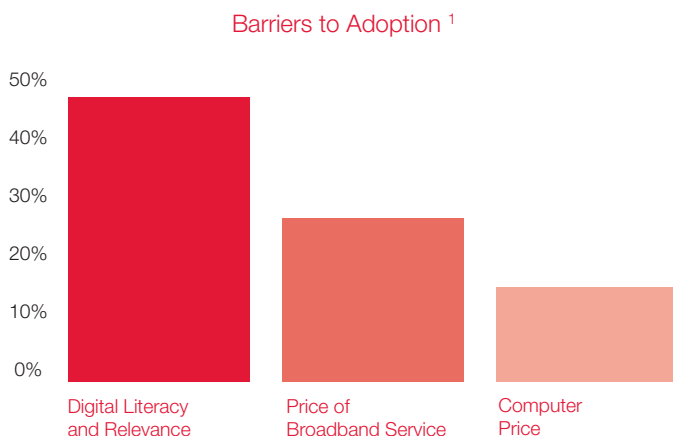
The Internet Essentials program has three principal components:

- **Low Cost Internet Service:** Internet Essentials provides eligible low-income families in the Comcast service area affordable access to high-speed Internet service from their home. For only \$9.95 per month—around 33 cents a day—eligible families receive Comcast's XFINITY Internet Economy Service with no monthly equipment fees, installation charges or activation fees, representing a discount of at least \$27 a month or over 70% off regular charges for this service. In addition, Internet Essentials families are not subject to standard credit checks and are not asked or required to sign any contracts to take the service for a specified period of time.
- **Discounted Computers:** As part of Internet Essentials, Comcast has partnered with Dell and Acer to offer eligible families the opportunity to purchase a full-service, Internet-capable computer for under \$150, substantially below retail. Working with our partners, including Microsoft, we offer fully loaded computers with Internet Explorer and productivity software. We also provide the Norton™ Security Suite, a \$160 value, at no additional charge to ensure that Internet Essentials users have a secure online experience.
- **Digital Literacy:** Internet Essentials customers receive access to print, online and in-person digital literacy training free of charge. These digital literacy materials are the first step in helping those who have not been connected understand the value, the relevance and the ease of use of the Internet.

In addition, once we help a family get online, we want them to stay online. Any household that qualifies during the initial three-year enrollment period will remain eligible for the discounted price so long as at least one child in the household continues to meet the program's NSLP eligibility test.

## Understanding the Barriers to Broadband Adoption

The FCC has identified lack of digital literacy, lack of relevance, and cost-related factors as the primary barriers to adoption.



<sup>1</sup>Horrigan, John B., The FCC's National Broadband Plan Consumer Survey, Broadband Adoption and Use in America, OBI Working Paper Series 1, February 2010, [http://hraunfoss.fcc.gov/edocs\\_public/attachmatch/DOC-296442A1.pdf](http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-296442A1.pdf)



# Areas of Greatest Impact



“There is no reason that 33 percent of Americans should still not have Internet access at home. In today’s connected society, Internet access should be viewed as essential.”

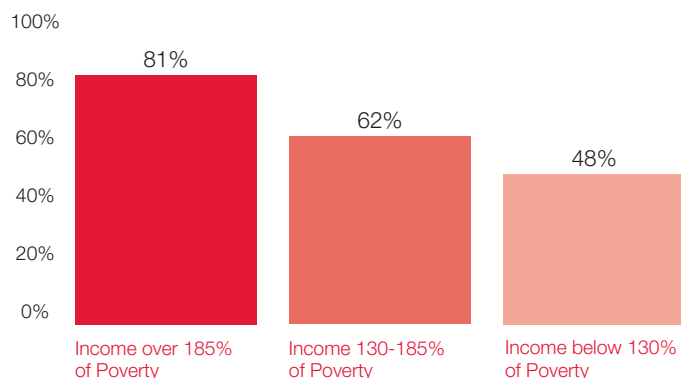
– Brent Wilkes, LULAC National Executive Director, June 2011



In developing a program to help close the broadband adoption gap and the resulting digital divide, our first challenge was to identify the proper target demographic. According to the report on broadband adoption by the National Telecommunication and Information Administration (NTIA) entitled *Exploring the Digital Nation*, one of the major factors deterring broadband adoption is household income.

The data show that more than 80% of households earning greater than 185% of the poverty level use the Internet at home; by contrast, less than 50% of households with annual incomes below 130% of the poverty level use the Internet at home.<sup>2</sup> Accordingly, we decided to focus on households that fall below 130% of the poverty level, about \$30,000 a year for a family of four in 2011.

### Broadband Adoption Rate by Annual Household Income



Poverty Status Broadband Adoption Rates Decrease Rapidly as Income Decreases

Source: US Census Bureau, Current Population Survey School Enrollment and Internet Use Supplement, October 2010, and Comcast calculations

Next, we sought a simple, verifiable, pre-existing index to establish eligibility for potential customers of Internet Essentials. The NSLP, established by the U.S. Department of Agriculture (USDA) and administered by local school districts, provides free lunches to children who come from households at or below 130% of the poverty level. Because of the well-established processes for administering eligibility for the NSLP, we determined this would be a workable, efficient and understandable eligibility benchmark. We were aided in this determination by some of our nonprofit partners who advised us that our target audience had a high degree of familiarity with NSLP eligibility and had experience using that eligibility to qualify for other programs.

### Focusing on Low-Income Families

Comcast chose to focus Internet Essentials on bridging the digital divide for low-income families to ensure the program had direct impact on a critical sector of Americans that were not connected at home.

<div style="background-color: #f08080; padding: 10px; margin-bottom: 10px;"><b>Eligibility</b></div> <div style="font-size: 3em; margin: 0 10px;">&gt;</div>	<p>A household is eligible to participate in Internet Essentials if it:</p> <ul style="list-style-type: none"> <li>• Is located where Comcast offers Internet services;</li> <li>• Has at least one child eligible to receive a free school lunch through the NSLP;</li> <li>• Has not subscribed to Comcast Internet service within the last 90 days; and</li> <li>• Does not have an overdue Comcast bill or unreturned equipment</li> </ul>
<div style="background-color: #f08080; padding: 10px;"><b>Availability</b></div> <div style="font-size: 3em; margin: 0 10px;">&gt;</div>	<ul style="list-style-type: none"> <li>• The program was rolled out across the Comcast service area during the 2011-2012 school year</li> <li>• Participants will be accepted into the program for at least three years, through the end of the 2013-2014 school years</li> <li>• Participating families will be able to benefit from Internet Essentials for the entire life of their child's K-12 education, as long as they remain eligible</li> </ul>

<sup>2</sup> U.S. Census Bureau, Current Population Survey School Enrollment and Internet Use Supplement, October 2010, <http://www.bls.census.gov/cpsftp.html#cpssupps> and Comcast calculations.

# Spreading the Word

“This not only should bring about greater broadband deployment, which admittedly is good for Comcast, but more significantly from my vantage point, it should encourage greater broadband adoption due to its affordability, which is good for us all.”

– Federal Communications Commission Commissioner Mignon Clyburn, February 2011

Several factors make Internet Essentials unlike any previous Comcast product launch:

- First, there was no direct way to identify potential customers and, therefore, we needed to rely on other means to get the message to eligible households.
- Second, we had to create a demand for broadband in some communities that were essentially “broadband resistant” — communities that had not embraced this technology due to factors beyond just cost, such as perceived relevance and low digital literacy.
- Third, we had to build trust with customers in this market. Our early research revealed that our target audience was resistant to direct marketing efforts, instead relying on trusted community partners to inform them about programs, products and offers that worked for them. Ironically, many eligible customers we surveyed thought the offer was “too good to be true.”

Our research suggested that a potential customer might need to hear our message multiple times from trusted sources before taking action. We therefore focused our engagement campaign on a number of important audiences, including local school districts, local and national community-based organizations, churches and government officials. We also supplemented this with coordinated paid media and earned media campaigns to help deliver a repetitive and consistent message about Internet Essentials.

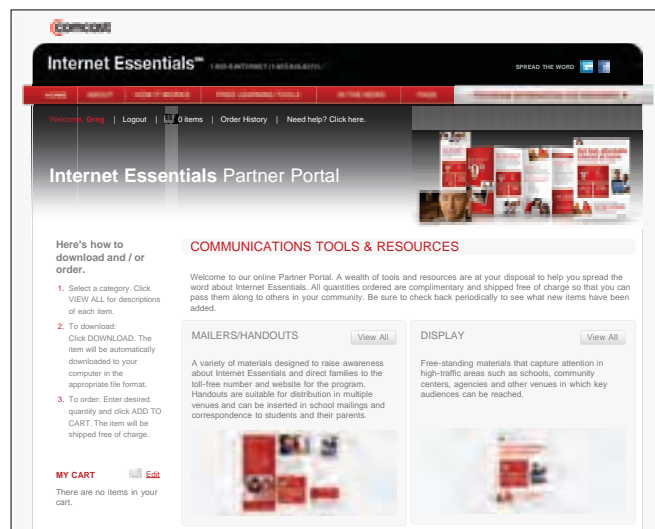
### Internet Essentials Website and Partner Portal

Understanding the importance of working with partners to promote the program, we focused on developing an infrastructure that would allow us to scale outreach unlike anything we had done previously and far beyond our original commitments to the Federal Communications Commission (FCC). Our operating philosophy is simply that if we are going to ask people to help us spread the word about Internet Essentials, we have to make it easy for them to do so. The central building block for our outreach plans was a dedicated website in both English (InternetEssentials.com) and Spanish (InternetBasico.com), which serves as a one-stop destination for information, resources and collateral on Internet Essentials.

Built into this website is a unique Partner Portal, InternetEssentials.com/partner. Using the Partner Portal, anyone can download materials directly or order materials for which we do not charge and which are shipped for free no matter the quantity ordered. By the end of 2011, over 10,000 individuals and organizations had registered for the Partner Portal, the portal had experienced over 100,000 unique visits, and partners had requested 11.5 million pieces of promotional collateral – all at no charge to the partner organizations.



Internet Essentials Partner Portal Website



## “Hyper-local” Paid Media

We also designed and executed an ambitious paid advertising campaign not required by our initial commitment to the FCC.

Our approach to paid media was based on a deep “hyper-local” strategy identifying geographic areas and media outlets where our advertising efforts would have the most impact. We considered factors such as the concentration of children eligible to receive free school lunches and geographic dispersion.

Based on these criteria, our geographic focus included the top 11 major metropolitan areas in our service area, targeting the vast majority of households with students eligible to receive free lunches through the NSLP who were estimated to live in our largest markets.<sup>3</sup> We launched our media buys to coincide with back-to-school weeks in each market and ran them for a total of six weeks.

We implemented a radio strategy, including tactics such as live radio remote event broadcasts hosted by local personalities at which we distributed information about Internet Essentials. We also purchased advertisements in newspapers and community publications to reach our audience within target school districts. The approach of using traditional media tactics, in a hyper-local way, created a sense of relevance and connection for our audience that a more macro-level media buy could not deliver.

As an overlay to the consumer paid media plan, we also purchased advertisements in select publications with the goal of reaching influencers within the educator community — primarily teachers who were interacting with eligible students and families on a daily basis. Thus, we ran print advertisements in both *Education Week* and *Teacher* magazines and placed digital advertisements in their online versions and companion publications.



Denver Internet Essentials launch event attendees include (left to right), Mawukle Yebua, Student, Denver South High School; John Barry, Superintendent, Aurora Public Schools; Rich Jennings, Regional Vice President of the Mile High Region, Comcast; Michael Hancock, Mayor, Denver; John Hickenlooper, Governor, Colorado; David L. Cohen, Executive Vice President, Comcast; Tom Boasberg, Superintendent, Denver Public Schools; Jeff Dolan, Vice President of Government and Regulatory Affairs, of the Mile High Region, Comcast

<sup>3</sup>National Center for Education Statistics (NCES) and Comcast calculations.



Free school lunch  
feeds their bodies.

Affordable Internet  
feeds their minds.



**Today, every family needs Internet access at home.** It's become essential to how children do homework, how parents search for jobs, and how families connect to information — and to each other. Now, with **Internet Essentials<sup>SM</sup> from Comcast**, the Internet is more affordable than ever. If you have a child who receives free school lunches, you may qualify.

---

**Call 1-855-8-INTERNET to learn more.**

[InternetEssentials.com](http://InternetEssentials.com)



Restrictions apply. Not available in all areas. Call for details. © 2011 Comcast. All rights reserved.



Free school lunch  
feeds their bodies.

Affordable Internet  
feeds their minds.

Today, every family needs Internet access at home.

It's become essential to how children do homework, how parents search for jobs and how families connect to information — and to each other. Now, with **Internet Essentials™ from Comcast**, the Internet is more affordable than ever. If you have a child who receives free school lunches, you may qualify.

---

**Call 1-855-8-INTERNET (1-855-846-8376)  
to learn more.**

[InternetEssentials.com](http://InternetEssentials.com)

Restrictions apply. Not available in all areas. Call for details. ©2011 Comcast. All rights reserved.



Free school  
lunch feeds  
her body.

Affordable  
Internet  
feeds her mind.

Today, every family needs Internet access at home.

It's become essential to how children do homework, how parents search for jobs and how families connect to information — and to each other. Now, with **Internet Essentials™ from Comcast**, the Internet is more affordable than ever. If you have a child who receives free school lunches, you may qualify.

---

**Call 1-855-8-INTERNET (1-855-846-8376)  
to learn more.**

[InternetEssentials.com](http://InternetEssentials.com)

Restrictions apply. Not available in all areas. Call for details. ©2011 Comcast. All rights reserved.







Los almuerzos  
escolares gratuitos  
nutren su cuerpo.

El Internet  
de bajo costo  
**nutre**  
su mente.

**Hoy, todas las familias necesitan acceso al Internet desde sus hogares.**

El Internet se ha convertido en una herramienta esencial para que los niños hagan sus tareas y los padres busquen opciones de trabajo; para que las familias se conecten entre sí y tengan acceso a la información. Ahora, con el **Servicio de Internet Básico<sup>SM</sup> de Comcast**, el Internet es más accesible que nunca. Si usted tiene un hijo que recibe almuerzos gratuitos, su familia podría calificar.

---

**Llama al 1-855-SOLO-995 (1-855-765-6995) para más información.**  
[internetbasico.com](http://internetbasico.com)

Aplican restricciones. No está disponible en todas las áreas. Llame para obtener los detalles. © 2011 Comcast. Derechos Reservados.



## Earned Media

Internet Essentials launch events to mark the new school year were the centerpiece of our earned media strategy, galvanizing a broad range of stakeholders around our mission of urging as many eligible families as possible to enroll. Each event featured a speaker from Comcast describing the program and included mayors, governors, members of Congress, local or state superintendents, and community leaders, all helping to drive the message of the importance of broadband.

We have tracked over 1,400 print and online mentions as well as nearly 600 broadcast television segments. In addition, we have tracked approximately 100 radio interviews with an estimated listenership of over eight million people. We have also found talk radio to be a particularly effective way to reach eligible families.

National	Print and Online: <i>USA Today</i> , <i>Washington Post</i> , <i>TIME</i> , <i>Financial Times</i> , <i>CNET</i> , <i>Fast Company</i> , <i>Associated Press</i> , <i>Bloomberg</i> TV/Radio: <i>CNN</i> , <i>NPR</i> , <i>Local TV affiliates</i>
Regional	Print and Online: <i>Boston Globe</i> , <i>Philadelphia Inquirer</i> , <i>The Hill</i> , <i>Politico</i> , <i>Los Angeles Times</i> , <i>Atlanta Journal-Constitution</i> , <i>Miami Herald</i> , <i>Denver Post</i> , <i>Chicago Tribune</i> TV: <i>Broadcast affiliate stations</i> Radio: <i>Radio Disney Studio/KIID-AM 1470</i> , <i>KYW</i> , <i>WHYY</i> , <i>KQV-AM Pittsburgh</i> , <i>NPR</i> , <i>Rick Jensen Show (DE)</i> , <i>WBBM-AM (IL)</i> , and other local stations
Ethnic	Print and Online: <i>Al Dia</i> , <i>La Neuvo Herald</i> , <i>El Pregonero</i> , <i>EFE.com</i> , <i>Sing Tao Daily</i> , <i>Philadelphia Tribune</i> , <i>Atlanta Daily World</i> TV: <i>Telemundo</i> , <i>CNN Espanol</i> , <i>Univision</i> Radio: <i>Radio One</i> , <i>David Cruz syndicated national bilingual show</i> , <i>Hablemos Hoy</i> , <i>Radio Estereo Sol</i> , <i>KSJV-FM</i> , <i>Radio Bilingue 91.5/Fresno Spanish Radio</i> , <i>Minority Counterpoint</i>
Tech/Trade/Online	Print and Online: <i>MultiChannel News</i> , <i>Broadcasting &amp; Cable</i> , <i>CableFAX</i> , <i>PC Magazine</i> , <i>Computer Business Review</i> , <i>Digital Literacy</i> , <i>Ars Technica</i> , <i>Wired</i> , <i>Engadget</i> , <i>GigaOm</i> , <i>ZDNet</i>
Education and Nonprofit Verticals	Print and Online: <i>Education Week</i> , <i>Youth Today</i>



Comcast Chairman and CEO Brian L. Roberts speaks at the Internet Essentials launch event in Philadelphia, PA.

Comcast's Atlanta Region encompasses 28 school districts serving 850,000 students in and around the City of Atlanta.<sup>4</sup> Forty-five percent of these students are eligible for free lunches through the National School Lunch Program. Our outreach to these school districts was initially met with some skepticism. Although supportive of the goal of broadband adoption, some districts were concerned that helping to spread the word about Internet Essentials could be viewed as the schools selling a Comcast product. Furthermore, four of the largest school systems in the Atlanta region (representing 49% of free lunch eligible students) were in the midst of bringing on new superintendents, and the City of Atlanta School District was in the midst of leadership change.<sup>5</sup>

Despite numerous meetings with school officials, it was not until one of their own became a champion of Internet Essentials that we were able to successfully work with Atlanta-area school districts to spread the word about the program. That champion was Dr. Buster Evans, the Forsyth County Schools Superintendent. Dr. Evans is a former chair of the Georgia State Superintendents Association and leads a school system that is at the forefront of instructional technology. Dr. Evans and his technology director, Bailey Mitchell, became Internet Essentials advocates. They publicly endorsed the effort and gave credibility to the program. Following Dr. Evans' lead, Cliff Cole, Superintendent of the Paulding County School District, proactively reached out to his counterparts in the region to advocate on behalf of the program and as a direct result of his outreach other districts joined in Internet Essentials – including those in Douglas County, Floyd County, Gordon County, Calhoun City and Bartow County. Thanks to the Superintendents' hard work, the Atlanta market has one of the highest response rates to Internet Essentials in the entire country.

# Atlanta

Comcast Executive Vice President David L. Cohen greets an Atlanta student on the first day of school.



<sup>4,5</sup>NCES and Comcast calculations.

*Comcast reached out to and met with every one of the 68 school districts in the Denver region, attended many back-to-school and parent/teacher night events, participated in teacher conferences and sent representatives to school resource fairs held by public, charter, private and parochial schools. Tom Boasberg, Denver Public School's (DPS) Superintendent, became a champion of Internet Essentials. He promoted awareness of the program at monthly seminars held for all of his DPS principals, and encouraged his staff to form what is now referred to as the "Comcast Outreach Committee."*

*This committee brings together a broad cross-functional group, including DPS information technology officials, DPS parent/teacher engagement specialists and representatives of community organizations that work with DPS schools, in order to discuss ways they can help more DPS families become aware of*

*Internet Essentials and then help spread the word. The DPS "Comcast Outreach Committee" is a unique and notable example of how one district has created an infrastructure to disseminate information about Internet Essentials and drive participation among local families. This "cascading" communication approach has ensured that information about Internet Essentials flows through a number of channels to reach the desired audience. The District will soon launch its own Internet portal for parents. Internet Essentials will be prominently featured, and the District's portal sign-up kits will also include Internet Essentials materials. The District's partnership is a best practice that has contributed to dramatic results, with Denver having a solid response rate to the program.*

# Denver

Denver Mayor Michael B. Hancock  
observes the Internet Essentials  
launch event in Denver, CO.



These mentions generated more than 750 million media impressions for Internet Essentials through our sustained media effort over five months, on average seven times the size of our other major media campaigns in 2011. In contrast, the launch of our Extreme 105 Mbps speed tier (one of Comcast's major 2011 product launches) resulted in 156 million impressions.

### Media Impressions by Outlet Type



### Public Service Announcements and Comcast Newsmakers

To further promote awareness of Internet Essentials, we launched a bilingual Public Service Announcement (PSA) campaign across our service area. The Internet Essentials PSA campaign commenced in 19 cities and states as paid and earned-media runs were ending, helping to sustain awareness efforts. The campaign featured recognized leaders in the community such as Philadelphia Mayor Michael Nutter, Delaware Governor Jack Markell, Georgia Governor Nathan Deal, California State Senator Alex Padilla, and leaders of Urban Leagues affiliates and other community organizations talking about the importance of broadband adoption.

In addition, we recorded and aired “Comcast Newsmakers” segments regarding Internet Essentials. Comcast Newsmakers is a five-minute public affairs program that airs on CNN Headline News on Comcast Cable systems at 24 and 54 minutes past the hour and is available On Demand and online.

In all we aired over 7,000 PSA spots and over 4,000 Comcast Newsmakers segments nationally, none of them required by our initial commitment to the FCC. We will continue to execute an extensive PSA and Comcast Newsmakers campaign in 2012.

Baltimore Mayor  
Stephanie Rawlings-Blake  
appears on the Comcast  
Newsmakers program to discuss  
Internet Essentials.





# Comprehensive Stakeholder Engagement Campaign





The coordinated paid and earned media campaigns were important to spreading the word, but the cornerstone of our communications plan was our extensive partnership with a diverse array of leaders from the education, government and nonprofit sectors across our service area.

- Outreach to over 4,000 school districts — more than 30,000 schools
- More than 1,000 community-based organizations, including churches, libraries, and PTAs
- Over 100 members of Congress
- More than 2,000 state and local officials
- Approximately 30 intergovernmental associations
- Over a dozen national educational organizations

## **Schools**

Schools have proved to be our most essential partner, helping us promote Internet Essentials to eligible families by allowing us to send literature along with their normal NSLP notifications. Our “Spread the Word” campaign consisting of flyers and brochures that schools could include in their communications to families; posters they could put in their computer labs, hallways and offices; and pre-formatted ads and background information they could easily insert into their emails and newsletters. We created documents with the input of school district leaders to suit their needs — ranging from professional-looking marketing materials to simple letters — and made all of them available through the online Partner Portal.

As a result of this extensive outreach campaign, nearly 20,000 schools, representing over 70% of all qualified NSLP eligible families,<sup>6</sup> became our partners in promoting Internet Essentials and distributed millions of program materials to eligible families. This outreach by schools was crucial to the success of the effort, as nearly 50% of Internet Essentials families cited school communications as their primary source of awareness.<sup>7</sup> Engaged school districts clearly resulted in more families participating in Internet Essentials. Thus, across the top 600 school districts in our service area, there is a statistically apparent correlation demonstrating higher performance in districts that ordered enough brochures for all students (or at least all eligible students) as opposed to districts that ordered lower quantities of materials.

<sup>6</sup>NCES and Comcast calculations.

<sup>7</sup>2011 Survey by Muldoon Marketing Research, Inc.

If your child receives free school lunches, you may qualify for Internet Essentials™ from Comcast.

# Bring the Internet home for just \$9.95 a month.

The world has gone digital. Internet service has become essential for success. That's why we created Internet Essentials. It's available to households with children who receive free school lunches under the National School Lunch Program. While participating in Internet Essentials, customers will receive:



## AFFORDABLE INTERNET

**\$9<sup>95</sup>**  
a month  
+ tax

**no**

- price increases
- activation fees
- equipment rental fees

## A LOW-COST COMPUTER

Available  
at initial  
enrollment

**\$149<sup>99</sup>**  
+ tax

## FREE INTERNET TRAINING

Available online, in print  
and in person

Got fast Internet service so the whole family can enjoy:

- Email
- Homework
- Sharing photos
- Job searches
- Paying bills online
- Watching videos
- Downloading music
- And so much more!

## Sign up today!

Call toll-free: 1-855-8-INTERNET (1-855-846-8376). For more information visit: [InternetEssentials.com](http://InternetEssentials.com).

Restrictions apply. Not available in all areas. Limited to XFINITY® Internet Economy service for new residential customers meeting certain eligibility criteria. Advertised price applies to a single outlet. Actual speeds vary and are not guaranteed. After initial participation, if a customer is determined to be no longer eligible for the program but continues to receive Comcast service, regular rates will apply. Subject to Internet Essentials program terms and conditions. Call 1-855-846-8376 for restrictions and complete details, or visit [InternetEssentials.com](http://InternetEssentials.com). ©2011 Comcast. All rights reserved. Internet Essentials is a program to provide home Internet service for families. It is not a school program, and is not endorsed or required by your school. Your school is not responsible for Internet Essentials accounts.

**comcast.**



Si tu hijo recibe almuerzos escolares gratuitos, podrías calificar.

# Obtén un servicio de Internet rápido y económico para tu hogar.

## Servicio de Internet Básico™ de Comcast

### INTERNET ECONÓMICO

**\$9<sup>95</sup>**  
al mes,  
+ impuestos

**sin**

- aumentos de precio
- tarifas de activación
- tarifas de alquiler del equipo

### UNA COMPUTADORA DE BAJO COSTO

Disponible al suscribirse **\$149<sup>99</sup>**  
+ impuestos

### CAPACITACIÓN DE INTERNET GRATUITA

Disponible en línea, en materiales impresos y en persona



Tener Internet se ha convertido en algo esencial. No esperes más. Ve cómo puedes conectarte.

**Llama al 1-855-SOLO-995**

(1-855-765-6995)

o visita **InternetBasico.com**

**comcast**

Aplican restricciones. No está disponible en todos los áreas. Limitado al servicio de XFINITY Internet Essentials para nuevas cuentas residenciales que cumplen con ciertos criterios de elegibilidad. Los precios anunciados aplican a una sola computadora. Las velocidades reales varían y no están garantizadas. Después de la participación inicial, si se desea ir a la siguiente etapa del programa, para continuar recibiendo el servicio de Comcast, aplíquese las tarifas regulares. Sujeto a los términos y condiciones del Servicio de Internet Básico. Llame al 1-855-765-6995 para obtener las restricciones y todas las reglas. ©2011 Comcast. Derechos Reservados. El Servicio de Internet Básico es un programa creado para proporcionar a las familias un servicio de Internet residencial. No se trata de un programa social y no es requerido ni está patrocinado por su escuela. Su escuela es responsable de los asuntos del Servicio de Internet Básico. No se utilizarán fondos escolares para servir de esta institución.



## Local Community-Based Organizations, Libraries, and Faith-Based Organizations

We recognized that community-based organizations, libraries, and faith-based organizations would be critical local partners in helping us spread the word about Internet Essentials, particularly given the important role that community-based and faith-based organizations play in providing tech centers and other programs aimed at improving the lives of low-income families. As with all stakeholders, we effectively used the Partner Portal to make it easy for these community-based organizations to help us.

To further assist these organizations, we combined all of our outreach materials and created Partner Toolkits that we delivered to any interested organization. These toolkits contained 100 bilingual flyers, 100 bilingual brochures, a brochure holder, four posters, three pens and a specially designed Partner Program guide to help identify ways that our partners could help make Internet Essentials a success in their communities. We distributed over 1,500 of these toolkits around the country.

Today, we count over 1,000 community-based organizations, including churches, libraries, and PTAs, as our partners. Importantly, we have never turned down any community-based organization's request to partner with us.

## National Community Partners

To facilitate the growth of partnerships across the nation, we worked with established nationwide community-based organizations that have a strong local presence. We hosted interactive webinars with the national staff and local affiliate leadership of the Boys & Girls Clubs of America, City Year, Teach for America, Big Brothers Big Sisters of America, United Way Worldwide, One Economy, LULAC, and the National Urban League, among others.

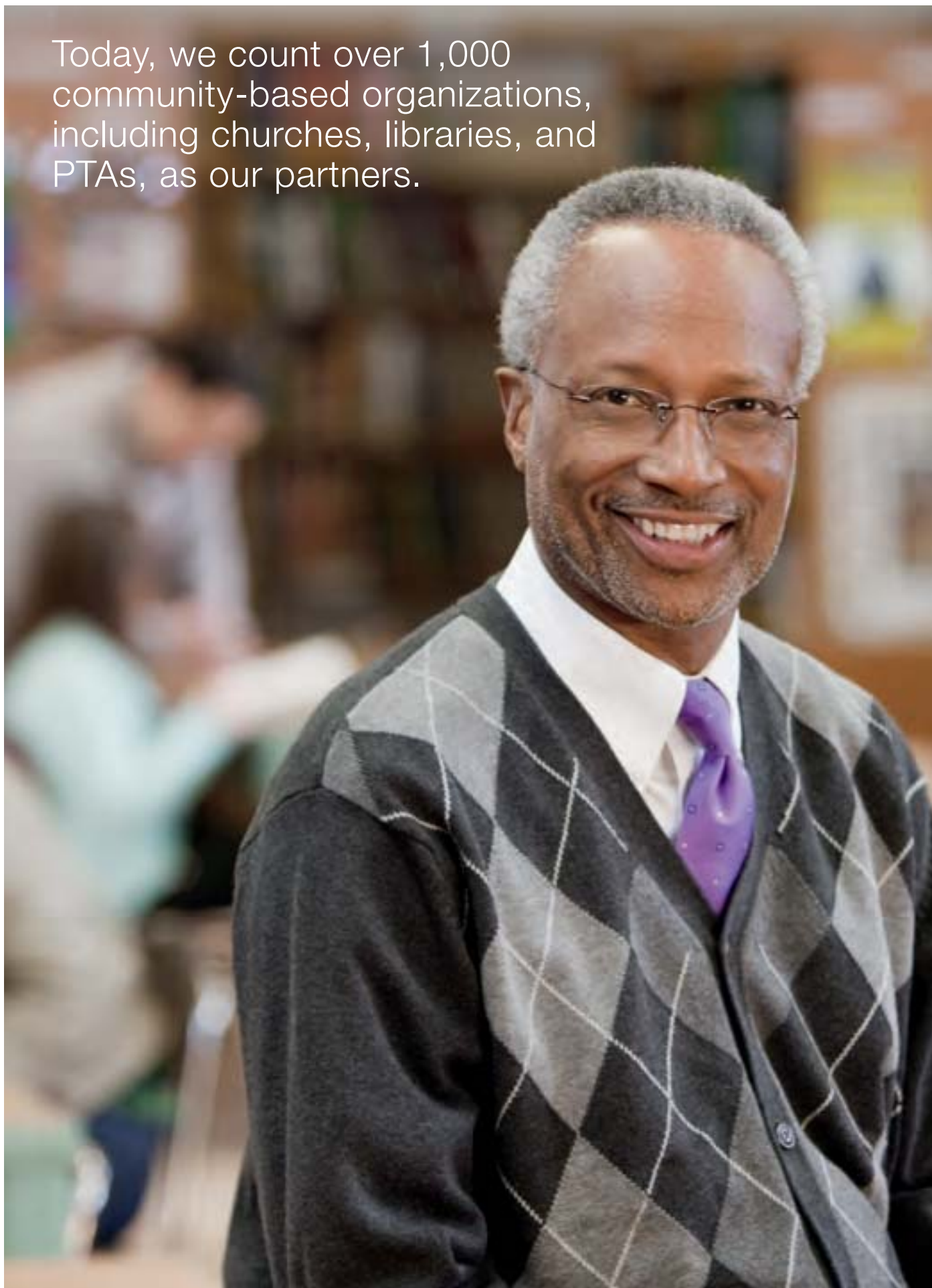
## Federal, State, and Local Officials

Federal, State, and local elected and appointed officials have also played an essential role in promoting public awareness of Internet Essentials. These officials helped us create an atmosphere of support and excitement around Internet Essentials by encouraging local school districts to promote the program as a means of overcoming the achievement gap while providing a call to action for community-based organizations to utilize it as a tool to effect change in their communities.



Washington, D.C. Internet Essentials launch attendees include (left to right) Kaya Henderson, D.C. Public Schools Chancellor; Kyle E. McSillarow, President, Comcast/NBCUniversal Washington, D.C.; Donna Rattley, Regional VP, Government & Regulatory Affairs, Comcast; Kelley Dunne, CEO, One Economy; Rahman Branch, Principal, Ballou High School; Julius Genachowski, Chairman, FCC; Rey Ramsey, President & Chief Executive Officer, TechNet; David L. Cohen, Executive Vice President, Comcast

Today, we count over 1,000 community-based organizations, including churches, libraries, and PTAs, as our partners.





# From Call to Install

A woman with dark, curly hair is sitting on a rooftop metal grate. She is wearing a black tank top and light blue jeans. She is smiling and talking on a black smartphone held to her ear with her left hand. A laptop is open in front of her, resting on her lap. The background shows a brick building and a metal railing.

“The Internet Essentials program is a perfect example of how a local school system, city government and the business community can all work together to create solutions that move our entire community forward.”

– Miami Mayor Tomas Regalado, August 2011

Although Comcast has ample experience in launching new products and services, the eligibility rules for Internet Essentials created a unique set of operational challenges. We sought to address these challenges while keeping the Internet Essentials application process as easy and efficient as possible, providing applicants with clear instructions, guidance and regular reminders throughout the process.

### Operationalizing Eligibility

Our first hurdle was to determine how to verify eligibility of prospective customers. Although the USDA nationally standardizes NSLP eligibility criteria, an individual family obtains free lunch certification status on a local basis. In practice, there are variations among school district eligibility determinations. In addition, there are substantial privacy considerations and regulations associated with the NSLP that prevent the government from simply supplying a list of eligible families to a private company like Comcast.

We hired an established third-party verification specialist, Solix, to verify NSLP participation using copies of the annual notifications provided by school districts to students eligible to receive a free lunch. To support interested families through the application and verification process, we established a dedicated call center with specially trained agents. As noted above, our expert consultants also advised us that the NSLP population was experienced in using their NSLP status to apply for other benefits and services, so there would be a basic level of comfort with the eligibility and application process we were creating.

Congressman James Clyburn, FCC Commissioner Mignon Clyburn and Comcast EVP David L. Cohen congratulate a participant in the Comcast Digital Connectors program at the Carolina Youth Development Center in North Charleston, South Carolina.



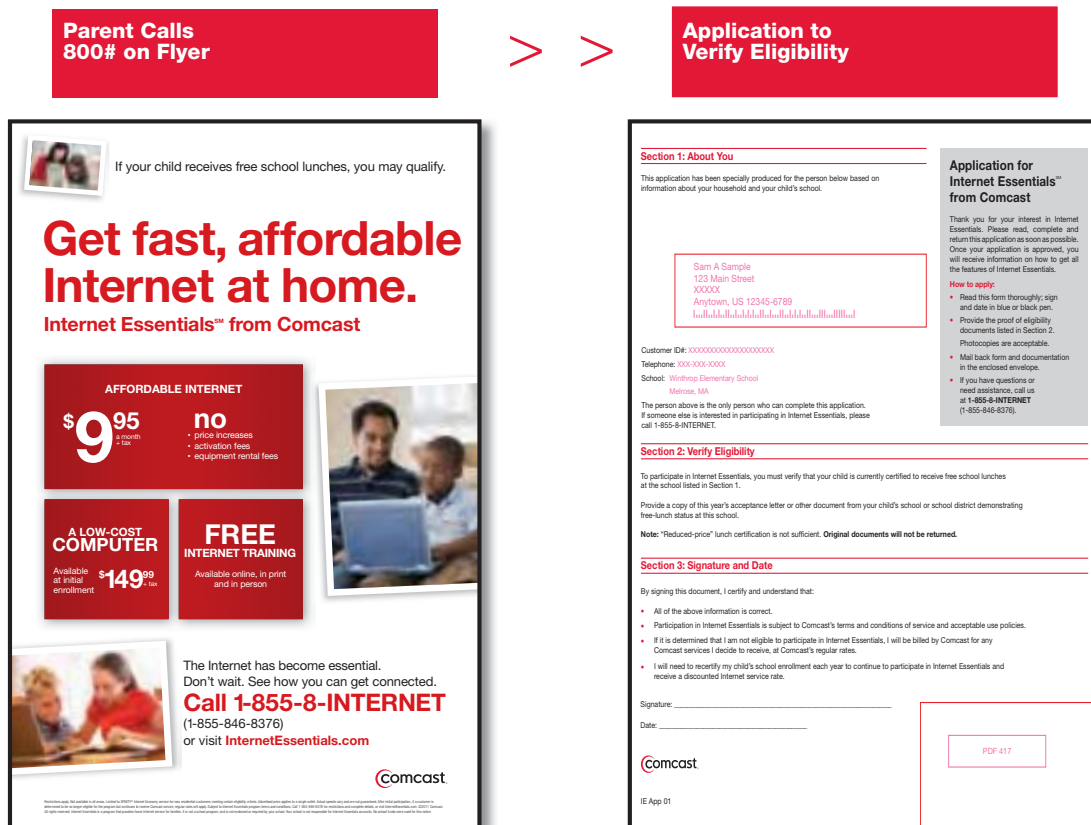
## Improvements to Application Process

As we rolled out Internet Essentials, we improved the application process based on our observations of customer experience to ensure that the customer intake process did not materially hinder or delay families from enrolling in Internet Essentials. Changes made to date include the following:

- Shortly after launching the program, we comprehensively reviewed approximately 20 hours of recorded service request calls. Based on findings from that effort, we revised our call center script to more quickly and directly initiate the enrollment process.
- When we saw that some applications were not being returned, we initiated a “resend and remind” program, which automatically sent replacement application kits to those who failed to return their application within three weeks.
- To speed and simplify the application return process, we added the option for applicants to fax back applications. Additionally, we began accepting prior year free school lunch letters as supporting documentation.
- After observing some of the most common causes of non-approved applications, we began inserting a brightly colored reminder list into the application kit.

More improvements to the application process are underway. Research on families who requested applications but had not returned them revealed that gathering the required documentation was a possible barrier or point of delay. Thus, we are instituting an instant approval process for certain eligible families, such as those with children in Provision 2 schools, thereby allowing a person to complete the application over the phone without a separate verification step.<sup>8</sup> We estimate that 15% of free school lunch eligible families — over 300,000 households — will qualify for this expedited approval process. We will also be enabling organizations to purchase Internet Essentials in bulk on behalf of eligible low-income families in their community.

### Internet Essentials Sign-up Process



<sup>8</sup>Provision 2 is an option that enables schools and institutions to provide free meals to all of their students while reducing paperwork and administrative costs. While any school that participates in the NSLP may opt for Provision 2, generally schools with high percentages of low-income students (75% or more) are able to utilize this option.



## Other Unique Operational Challenges

There have been other operational challenges that required a unique approach for Internet Essentials customers, different from how we typically interface with customers:

- Comcast's general sales and billing platform was augmented to support and track the additional components of the Internet Essentials offer.
- The low-income population for whom Internet Essentials was designed encompasses a disproportionately large non-English speaking population. Thus, we had to be prepared to provide translation services and other support for this non-English speaking population.

Based on all these understandings and our experience with the program to date, we developed a workable way for getting customers through the application, verification, activation and installation processes. While there were some early challenges with the application process, our initial view that using NSLP as an eligibility gate would be understandable, navigable and efficient for the NSLP population generally proved to be accurate. Nevertheless, the substantial drop-off from applications requested to sign-up (a total of almost 46%) has led us to work on simplifying the process and to making a number of changes in an effort to drive that percentage higher.



# More Than Just Broadband Service



“We believe digital education is very, very important. Technology access is critical to the development of youngsters in today’s society and we are excited to be a part of this great opportunity.”

– Claire Carvey, Wilmington YMCA Black Achievers Director, August 2011



Providing affordable broadband service is just one part of Internet Essentials. We also offer customers an opportunity to purchase a low cost computer and access to free digital literacy training.

## Computers

We wanted to provide Internet Essentials families with the opportunity to purchase a discounted computer that could do more than just surf the web and send email. It was important that the computer be able to run a full suite of productivity, educational and security software. We knew this would be a challenge, so we conferred at length with experts from the teams at Intel, Microsoft, One Economy and Computers for Youth to develop the best options.

Working with our equipment partners at Dell and Acer, we were able to offer Internet Essentials families the opportunity to purchase a discounted netbook computer running Microsoft's Windows 7 Starter operating system with pre-installed web browser software and basic productivity software. Our vendor partner, Seneca, provides end-to-end customer service including sales, technical support, and warranty coverage, according to their standard policies.

To ensure that only approved Internet Essentials families were able to take advantage of this offer, we assigned each applicant a unique computer discount code upon approval of his or her completed application. Comcast worked with Solix to develop a first-of-its-kind platform that could generate unique discount codes, allow computer vendors' sales representatives to easily validate a customer's code and provide Comcast's centralized call center with the ability to troubleshoot problems (and replace codes, if necessary). Importantly, this unique system allows Comcast to include new vendors as the program continues and dynamically match orders with providers to ensure supply is never depleted.


While the pre-existing research suggested that lack of computer hardware in the home was a major hurdle to closing the broadband adoption gap, our experience to date suggests that this may be less of a problem than anticipated. We were frankly surprised by the relatively low number of families who have opted to purchase a computer through Internet Essentials. While we had an initial concern with the \$150 price point, our research shows that more than 80% of the families signing up for Internet Essentials report already owning a computer, and of those that did not purchase a computer only, a third thought price was a barrier.

### BUY A DISCOUNTED COMPUTER.

**Call 1-888-710-4156.**

As an Internet Essentials™ customer, you have the option to purchase an Internet ready computer for the reduced price of just \$149.99 + tax.

**Minimum Specifications**  
**Processor:** 1.66 GHz  
**Memory (RAM):** 1GB  
**Hard Drive:** 160GB  
**Screen:** 10.1 inches  
**Operating System:** Microsoft Windows Starter  
May be refurbished.



Additional computer configurations may be available.

When you call to order, you will need to provide the following single-use code:

**12345**

**Do not throw away this letter. This code is required.**

Only debit, credit or prepaid cards will be accepted when you place your computer order. Prepaid cards are available at a variety of retailers such as drugstores, supermarkets and convenience stores.

**To receive the discounted price, you must call to place your order by the date below:**

**3/29/12**

Restrictions apply. Subject to Internet Essentials program rules, terms and conditions. Taxes may be based on retail value of computer. Comcast reserves the right to substitute for similar or like model, or to offer different model devices. Purchase Code is for one-time use for a discount on a computer as part of the Internet Essentials program. The Code is not transferable or assignable, and has no cash value. By using the Code, customer authorizes that its name and other details relating to the computer purchase can be shared with Comcast and its authorized affiliates for purposes of processing the order. Call for details. © 2011 Comcast. All rights reserved.

English Language Computer Card

### COMPRA UNA COMPUTADORA A PRECIO REDUCIDO.

**Llama al 1-888-710-4156.**

Como cliente del Servicio de Internet Básico™, tienes la opción de comprar una computadora lista para Internet por el precio reducido de solo \$149.99 + impuestos.

**Especificaciones mínimas**  
**Procesador:** 1.66 GHz.  
**Memoria (RAM):** 1GB.  
**Disco duro:** 160GB.  
**Pantalla:** 10.1 pulgadas.  
**Sistema operativo:** Microsoft Windows Starter.  
Puede ser una computadora reacondicionada.



Pueden haber configuraciones de computadora adicionales.

Cuando llames para ordenarla, debes proporcionar el siguiente código de uso único:

**12345**

**No botes esta carta. Es necesario que proporciones este código.**

Para hacer el pedido de la computadora, solo se aceptarán tarjetas de débito, crédito o prepagadas. Las tarjetas prepagadas están disponibles en una variedad de tiendas como farmacias, supermercados y tiendas de conveniencia.

**Para recibir el precio reducido, tienes que llamar y ordenar tu computadora antes de la siguiente fecha:**

**3/29/12**

Aplican restricciones. Sujeto a las reglas, términos y condiciones del programa del Servicio de Internet Básico. Los impuestos pueden estar basados en el precio de venta al por menor de la computadora. Comcast se reserva el derecho de sustituir la computadora por un modelo similar o parecido, o de ofrecer aparatos de modelos distintos. El código de compra solo se puede usar una sola vez para obtener un descuento en una computadora como parte del Servicio de Internet Básico. El código no es transferible ni se puede traspasar y carece de valor en efectivo. Al usar el código, el cliente autoriza que su nombre y otros detalles relacionados con la compra de la computadora puedan ser compartidos con Comcast y sus afiliados autorizados para el cumplimiento del pedido. Llame para obtener los detalles. © 2011 Comcast. Derechos Reservados.

Spanish Language Computer Card

## Training – In Print, Online and In-Person

In order to break down the digital literacy barriers to broadband adoption and to help Internet Essentials families take full advantage of their new online experience, we developed and deployed an ambitious digital literacy strategy — one that extended beyond our original commitment to the FCC.

First, we prepared and provided a collection of printed digital literacy materials for inclusion in the Internet Essentials Welcome Kit. The Welcome Kit includes lesson cards that show the user how to install and activate his or her Internet service, protect his or her computer by installing Norton™ Security Suite and set parental controls with Norton Online Family. The information cards also include helpful tips on how to get the most out of the Internet and direct the user to the Internet Essentials Online Learning Center to explore further.

In addition to the printed digital literacy materials included in the Welcome Kit, we also developed the Internet Essentials Online Learning Center, which serves as a central hub of online digital literacy training materials, providing easy access to a simple curriculum to help families improve their digital literacy. The website is available in both English ([InternetEssentials.com/learning](http://InternetEssentials.com/learning)) and Spanish ([InternetBasico.com/aprender](http://InternetBasico.com/aprender)), and users can find tutorials on how to set up email, protect themselves and their families from viruses and other malware, keep children safe, locate useful resources for anything from professional growth to healthcare and find Comcast support for service issues.

The Internet Essentials Online Learning Center is continuously updated with additional content and links to digital literacy training resources. For example, in recent months, we have added additional digital literacy content to the Online Learning Center. As we move forward, we will continue to improve the user experience of the Online Learning Center by making it more interactive, expanding the depth of digital literacy content by partnering with other experts in digital literacy and online learning (including Common Sense Media, One Economy and NBC Learn), and increasing the visibility of the Online Learning Center by increasing promotion of it with partners and media. In addition, we plan to provide a direct link to the extensive online digital literacy materials expected to be a part of the Connect to Compete website once it is launched, solidifying the one-stop shop advantages of the Internet Essentials site and its Online Learning Center.



Students go online at the Internet Essentials launch event in Fresno, CA.

*Reverend Horace L. Sheffield III has been a preacher in Detroit, Michigan since 1978. He is the pastor of Detroit's New Destiny Baptist Church and the executive director of the Detroit Association of Black Organizations, where he established and administers their Detroit Cares Academy (DCA) and Project Self-Sufficiency programs.*

*Reverend Sheffield and the DCA are using Internet Essentials to further facilitate the graduation of high school students who have either incomplete or failed classes and must earn credits to finish school. One of DCA's programs enables students to make up those credits by taking or finishing classes online.*

*The DCA keeps its computer lab open late in the evenings and weekends in an effort to serve students who may not have Internet access at home. With Internet Essentials, more families are able to have broadband access in their homes and thus fewer students are spending long hours and late nights at DCA's computer labs.*

*To promote Internet Essentials in his community, Reverend Sheffield regularly holds community forums with religious leaders, community activists, educators and others who service the specific population that is most at risk of being affected by the digital divide. Reverend Sheffield also uses his weekly radio program "On the Line with Reverend Horace Sheffield" and TV program "Real Talk" to spread the word about Internet Essentials.*

# Detroit

Comcast Vice President, External and Government Affairs Bret Perkins looks on as a student goes online at the Internet Essentials launch event in Detroit, MI.



*When Comcast acquired its cable systems in the Greater Miami market in November 2002, the prior operator had not made broadband service available to the entire market. When Comcast took control, we built and executed a community investment strategy to ensure that:*

- *Broadband Internet service was available market-wide within 24 months;*
- *Anchor institutions, such as the Boys & Girls Clubs, Big Brothers Big Sisters, the Urban League, United Way and other community centers had courtesy high-speed Internet access so families that did not have broadband service at home could access the Internet; and*
- *The community had access to digital literacy and broadband adoption programs such as the Digital Connectors program with partners like Volunteer Broward, Elevate Miami and the YMCA.*

*When our community partners learned that we were committed to raising broadband adoption rates of low-income families they quickly became vocal champions of Internet Essentials. Based on their historic partnerships and experience with us in Miami, they knew we were serious and committed to this project. They also understood we would need their help. City Year of Miami, Elevate Miami, Urban League of Broward County, Volunteer Florida and the Cuban American National Council are some of the organizations that expressed their commitment to promote the program, and each immediately registered as a partner on our Internet Essentials Partner Portal and ordered free promotional materials. They distributed these materials during neighborhood meetings, canvassed their communities with Internet Essentials materials in English, Spanish and Creole, displayed Internet Essentials materials at their sites, and shared them with other community leaders and public and private service agencies with whom they partner, including local schools. Their partnership resulted in the Miami market having one of the highest response rates to Internet Essentials in the country.*

# Miami

Students use the Internet at the Internet Essentials launch event in Miami, FL.





We also recruited and engaged a network of more than 300 community-based organizations to provide in-person digital literacy training. We pre-screened organizations interested in providing training and qualified certain organizations as Internet Essentials Training Partners.

To become qualified, the community-based organization had to meet the following criteria:

- Have training facilities located in a Comcast service area;
- Have a computer lab with a projector and at least 10 working computers with Internet access;
- Have a facility with ample restrooms, handicap accessibility, nearby parking and easy access/proximity to public transportation; and
- Send at least one potential trainer to participate in a Comcast-led “train-the-trainer” session between late August and mid-October 2011.

All training partners received a copy of the Internet Essentials Training Facilitator’s Guide (in both English and Spanish), which was specially prepared by professionals at Comcast University in conjunction with significant digital literacy nonprofit partners such as One Economy, Common Sense Media and iKeepSafe, along with a USB flash drive with a copy of the Internet Essentials training presentation.

Before their scheduled trainings, each organization received customized promotional materials to share with their constituencies. Dates and locations of these sessions were also posted on the Internet Essentials website so customers could find local training opportunities.

Between August and December 2011, Internet Essentials training partners hosted nearly 300 digital literacy training sessions across the country with over 1,250 attendees. In-person digital literacy training sessions were delivered primarily in English and Spanish, with several sessions facilitated in other languages including Mandarin Chinese and Creole. While early enrollments were limited, expansion of outreach and promotional efforts by Internet Essentials training partners boosted attendance at later sessions, and we helped training partners to share best practices with one another.

We continue to review our training program with our partners, reviewing one-on-one and focus group feedback, trainer feedback, trainee surveys and training session observation forms to improve future Internet Essentials digital literacy training strategies, curriculum and outreach efforts.

A participant in the Comcast Digital connectors program works on a computer in Philadelphia, PA.





A close-up, profile shot of a young child with dark hair, wearing a bright yellow zip-up sweater. The child is looking down and slightly to the left, with a focused expression. The background is blurred, showing indistinct shapes and colors. The text "Building for the Future" is overlaid in the top left corner in a white, sans-serif font.

# Building for the Future

“One of our top priorities is to help spur economic growth in Colorado. These efforts include supporting increased Internet access in Colorado communities and finding new ways to harness the educational power of the web. Internet access is essential to helping Colorado’s economy grow and thrive.”

– Colorado Governor John Hickenlooper, September 2011

Before Internet Essentials, no private company had tried to tackle all the major barriers to broadband adoption in one comprehensive program. Our work to design and implement Internet Essentials helped build momentum for other stakeholders to try similar programs. Recently, the FCC, under the leadership of Chairman Julius Genachowski, together with the National Cable & Telecommunications Association and a group of nonprofits and diverse technology companies, followed suit and adopted the Connect to Compete initiative, which closely tracks Internet Essentials in structure and intent.

## Lessons Learned

In the short time since launching Internet Essentials, we have learned a great deal. Certain aspects of Internet Essentials are performing above expectations; others are not working as well as we would like. Some of these lessons were learned in our day-to-day experience, while others are the outgrowth of our survey research.

Key lessons learned to date include the following:

- **Participation is directly tied to school and community engagement.** Simply stated, in areas where we had more involvement from our community partners and in particular, strong school district support, we had noticeably higher participation levels in the program. Our research revealed that partnering with trusted members of the community, such as school districts, faith-based organizations, providers of social services, community-based organizations and local officials would be the most effective way to inform low-income families of the program. Our research also revealed that nearly half of all customers became aware of Internet Essentials from their schools. And when we observe the response rates in the largest school districts, it appears that there is a real correlation between the schools that aggressively promote the program and the number of families signing up for Internet Essentials. We will, therefore, be working to get schools even more engaged in the effort.
- **Publicity, both paid and earned media, is an important complement to an engaged school district.** We, therefore, intend to continue our paid and earned media strategies, including our PSA and Comcast Newsmaker campaigns.
- **Broadband relevance will take more time to address.** Our research reaffirms that broadband education is important and necessary for customers to fully appreciate and use the service. We also discovered that there is a wide range of digital literacy readiness, and we need to factor this into our training. It is also clear that our Online Learning Center is underutilized. We continue to work with our community partners and organizational experts in digital literacy to further understand the spectrum of needs of our targeted audience, how we can better promote awareness of the resources we are making available and how we can improve the accessibility and depth of content we offer.
- **The application process should be made as simple as possible.** Over the course of launching the program, we made several adjustments to the application process and introduced numerous tactics to ensure a smooth customer experience. We want to eliminate every possible upfront barrier for eligible families to apply for and get accepted into the program and continue to seek out new and better ways to both simplify it and get families online faster.

Philadelphia Mayor Michael A. Nutter speaks at the Internet Essentials launch event in Philadelphia, PA.



## 2011 Program Adjustments

As we have outlined in this report, we have drawn upon these learnings to adjust the program throughout its early implementation.

Over the course of 2011, we

- Updated our call center training and scripts to more quickly and directly initiate the enrollment process;
- Initiated a “resend and remind” program, which automatically sends replacement application kits to those who have failed to return an application within three weeks of receiving it;
- Added an option for applicants to fax back applications;
- Begun accepting prior year free school lunch letters as supporting documentation; and
- Inserted a brightly colored reminder checklist into the application kit to ensure documentation is filled out properly the first time.



FCC Chairman Julius Genachowski talks with a student at the Internet Essentials launch event in Washington, DC.



## 2012 Program Adjustments

We are also announcing a series of additional program adjustments for even greater success in 2012.

- **Expand Eligibility:** Our initial eligibility rules limited the program to families with at least one child eligible to receive a free school lunch as part of the NSLP. We have decided that expanding the Internet Essentials eligibility rules to include families with at least one child qualified to receive a reduced price school lunch as part of the NSLP would simplify questions around eligibility, clarify the messaging for our school and community partners and provide more low-income families with an opportunity to cross the digital divide. This expansion, which will be effectuated during the second quarter of 2012, will add an estimated additional 300,000 households in our service area eligible to participate in Internet Essentials, moving well beyond our commitment to the FCC and bringing the estimated total eligible population to 2.3 million families.
- **Streamline the Process:** We are introducing additional enhancements to the application process, including an instant approval process for families with students in schools that provide free school lunches to all students, such as Provision 2 schools, and enabling organizations to purchase Internet Essentials service and discounted computers in bulk on behalf of eligible low-income families in their community. We estimate that the instant approval process will cover about 15% of the free school lunch eligible population or over 300,000 families. Instant approval for Provision 2 families will be effective immediately and we will offer the ability to make bulk purchases during the first quarter of 2012.
- **Increase Speed:** Effective during the second quarter of 2012, we will double the speed of the Internet service to up to 3 Mbps downstream and up to 768 Kbps upstream. By increasing the service speed, we will further enrich our customers' online experience and add even greater value to the offer.
- **Hardware pricing:** Working with our private vendors, and with the Connect to Compete collaborative, we will try to reduce the cost of computer equipment to Internet Essentials families.

Students and teachers attend the Internet Essentials launch event in Fresno, CA.



- **Increase Outreach and Engagement:** Based on feedback from families enrolled in Internet Essentials, we know that the more they hear about our program from local sources they trust, the more likely they are to respond to this unique opportunity. We, therefore, have plans to increase our focused efforts to spread the word by working with schools, libraries, community centers and additional nonprofits and agencies that serve low-income families, such as employment offices and departments of families and children services. Lastly, we look forward to the introduction of the Connect to Compete collaborative and we are identifying ways to work together on outreach and to take advantage of the promotional activities of Connect to Compete.
- **Expand and Enrich Digital Literacy Training:** We are also committed to expanding and enriching our in-person and online digital literacy training, changes that we will roll out throughout 2012. We plan to provide a wider array of training opportunities working in cooperation with our community-based partners, who intimately understand the needs of their communities. In many cases, we have experienced greater participation when generalized training is tied to other relevant interests such as job search and job training. We also plan on further development of our Online Learning Center to provide families with enhanced content and a broader array of training options. We are consulting with content partners like Common Sense Media, One Economy and NBC Learn to make the content more relevant and dynamic. And we look forward to the launch of the online digital literacy learning portal by the Connect to Compete collaborative, which we intend to link into our Internet Essentials Online Learning Center.

## Conclusion

A significant amount of work has gone into launching Internet Essentials. As with the launch of any new product or service, we have spent a great deal of time analyzing the program's operations to determine how to improve the delivery of the service. Our partner for this evaluation is the Joint Center for Political and Strategic Studies. This report focuses on the first five months of the program.

While we are enormously proud of what we have accomplished, and are pleased to share our early results and lessons learned, we know that there is still more work to be done. We also recognize that we are not alone in this endeavor. With the help of our partners, we have enabled over 41,000 families to cross the digital divide in less than six months. With the support of our current and future partners, we will continue to break down the barriers to broadband adoption across the country.

We look forward to sharing even more results and lessons learned in the months and years ahead.



# Notes

# Notes



Comcast Corporation  
One Comcast Center  
Philadelphia, PA 19103  
[InternetEssentials.com](http://InternetEssentials.com)





Comcast Corporation  
300 New Jersey Avenue, NW  
Suite 700  
Washington, DC 20001

March 13, 2012

**VIA ELECTRONIC FILING**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, D.C. 20554

Re: *In the Matter of Applications of Comcast Corporation, General Electric Company  
and NBC Universal Inc. for Consent to Assign Licenses and Transfer Control of  
Licenses, MB Docket No. 10-56*

Dear Ms. Dortch:

The *Annual Report of Compliance with Transaction Conditions*, filed on February 28, 2012 in the above-referenced proceeding, understated the number of Telemundo-affiliated stations. There are 47 Telemundo-affiliated stations, and the reference to the number of affiliates in Section X(1) and Section XIII(c)(4) of the report should be amended accordingly. The new Telemundo multicast channel, Exitos TV, is being made available to all 47 Telemundo affiliates.

Please do not hesitate to contact me should you have any questions.

Sincerely yours,

Lynn R. Charytan

Lynn R. Charytan  
Vice President, Legal Regulatory Affairs,  
Senior Deputy General Counsel,  
Comcast Corporation



Ms. Marlene H. Dortch

March 13, 2012

Page 2

cc (by e-mail): Martha Heller  
Deputy Chief, Industry Analysis Division  
Media Bureau  
Martha.Heller@fcc.gov

Jeff Gee  
Deputy Chief, Investigations & Hearings Division  
Enforcement Bureau  
Jeffrey.Gee@fcc.gov

cc (by hand delivery): Chief, Industry Analysis Division



300 New Jersey Avenue, NW  
Suite 700  
Washington, DC 20001  
202.379.7121

Lynn R. Charytan  
VP, Legal Regulatory Affairs  
Senior Deputy General Counsel  
Comcast Corporation

February 28, 2013

**VIA ELECTRONIC FILING**

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, D.C. 20554

Re: *In the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal Inc. for Consent to Assign Licenses and Transfer Control of Licenses*,  
MB Docket No. 10-56

Dear Ms. Dortch:

In accordance with the provisions of the Memorandum Opinion and Order adopted in the above-referenced proceeding<sup>1</sup>, Comcast Corporation, for itself and on behalf of NBCUniversal Media, LLC (collectively, the "Company"), hereby submits its second Annual Report of Compliance with Transaction Conditions. This report summarizes the steps the Company has taken across its various business units to comply with each of the Conditions in Appendix A of the *Transaction Order*. In addition, in conjunction with this report, the Company is voluntarily including a summary of its many diversity-related achievements for 2012 and its ongoing diversity initiatives. A copy of this combined report is also available as of today at the Company's corporate website, <http://corporate.comcast.com/news-information/nbcuniversal-transaction>.

Please do not hesitate to contact me should you have any questions.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Lynn R. Charytan", written over a horizontal line.

Lynn R. Charytan  
Vice President, Legal Regulatory Affairs,  
Senior Deputy General Counsel  
Comcast Corporation

---

<sup>1</sup> *Applications of Comcast Corporation, General Electric Company, and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licenses*, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) ("*Transaction Order*").

Ms. Marlene H. Dortch  
February 28, 2013  
Page 2

Enclosure

cc (by e-mail):

Martha Heller  
Deputy Chief, Industry Analysis Division  
Media Bureau  
Martha.Heller@fcc.gov

Jeff Gee  
Deputy Chief, Investigations & Hearings Division  
Enforcement Bureau  
Jeffrey.Gee@fcc.gov

cc (by hand delivery): Chief, Industry Analysis Division

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC**

In the Matter of	)	
	)	
Applications of Comcast Corporation,	)	
General Electric Company,	)	MB Docket No. 10-56
and NBC Universal, Inc.	)	
	)	
For Consent to Assign Licenses and	)	
Transfer Control of Licensees	)	

**SECOND ANNUAL REPORT OF COMPLIANCE  
WITH TRANSACTION CONDITIONS**

*Comcast Corporation  
NBCUniversal Media, LLC*

300 New Jersey Avenue, NW  
Suite 700  
Washington, DC 20001  
(202) 379-7121

February 28, 2013

## TABLE OF CONTENTS

	<i>Page</i>
PART ONE: COMPLIANCE STRUCTURE UPDATE .....	2
PART TWO: COMPLIANCE WITH SPECIFIC CONDITIONS .....	2
I.    DEFINITIONS.....	2
II.   ACCESS TO COMCAST-NBCUNIVERSAL PROGRAMMING .....	2
III.  CARRIAGE OF UNAFFILIATED VIDEO PROGRAMMING .....	3
1. Non-Discriminatory Carriage .....	3
2. Neighborhooding .....	3
3. New Independent Networks.....	4
4. Program Carriage Complaints.....	4
IV.  ONLINE CONDITIONS .....	4
A. Online Program Access Requirements and Procedures.....	4
B. Exclusivity/Windowing .....	6
C. Continued Access to Online Content and Hulu .....	6
1. Continued Programming on NBC.com.....	6
2. Preexisting OVD Deals.....	6
3. Provision of Content to Hulu .....	6
4. Relinquishment of Control over Hulu.....	7
D. Standalone Broadband Internet Access Service (“BIAS”) .....	7
1. Provision of Standalone BIAS .....	7
2. Visibly Offer and Actively Market Retail Standalone BIAS.....	7
3. BIAS Annual Report.....	8
E. Other BIAS Conditions.....	8
1-2.Specialized Service Requirements.....	8
3. 12 Mbps Offering.....	8
F. “Specialized Service” on Comcast Set-Top Boxes (“STBs”).....	8
G. Unfair Practices.....	8
V.   NOTICE OF CONDITIONS .....	8
VI.  REPLACEMENT OF PRIOR CONDITIONS .....	9
VII. COMMERCIAL ARBITRATION REMEDY .....	9
VIII. MODIFICATION TO THE AAA RULES FOR ARBITRATION .....	9
IX.  BROADCAST CONDITIONS .....	9
X.   DIVERSITY CONDITIONS .....	10
1. Telemundo Multicast Channel.....	10
2-3.Telemundo and mun2 Programming on Comcast On Demand (“VOD”) and On Demand Online (“Online”) .....	10
4. New Weekly Business Program.....	11
5. Independent Programming Reports .....	11
XI.  LOCALISM .....	12
1. News, Public Affairs, and Other Local Public Interest Programming.....	12
a. Preservation of Current Levels of NBC and Telemundo News and Information Programming.....	13
b. Increased Investment in NBC Local News .....	13



## TABLE OF CONTENTS

	<i>Page</i>
c. Increased Investment in Telemundo Local News .....	14
2-3. 1,000 Hours of Additional Local News and Information .....	14
a. NBC Owned Television Stations .....	14
b. Telemundo Station Group .....	15
4. News and Information Programming Reports .....	15
5. Non-Profit News Partners .....	16
6. More VOD Choices at No Additional Charge .....	16
7. Broadcast Content on VOD .....	16
XII. JOURNALISTIC INDEPENDENCE .....	17
XIII. CHILDREN’S PROGRAMMING .....	17
1. Additional Children’s VOD and E/I Programming .....	17
2. Ratings Icons and Parental Controls .....	17
a. Improved Ratings Icons .....	17
b. Improved Parental Controls .....	18
c. Parental Dashboard .....	18
d. Blocking Capabilities of IP-based STBs .....	18
e. Online Ratings Icons .....	18
3. Partnership with Common Sense Media (“CSM”) .....	18
4-5. Interactive Advertising .....	18
6. PSAs .....	19
XIV. PEG CONDITIONS .....	19
1. No Migration to Digital Delivery .....	19
2. PEG Carriage on Digital Starter .....	19
3. Quality of PEG Delivery .....	20
4. PEG Pilot Program .....	20
XV. NCE AND LOCAL NCE .....	20
XVI. BROADBAND DEPLOYMENT AND ADOPTION .....	20
1. Broadband Footprint Expansion .....	20
a. 1,500-mile Expansion .....	20
b. Internet Service Upgrades to Rural Communities .....	20
c. Additional Courtesy Accounts .....	21
2. Broadband Adoption – <i>Internet Essentials</i> , the Comcast Broadband Opportunity Program .....	21
XVII. GENERAL .....	22
XVIII. VIOLATIONS .....	22
XIX. REPORTING REQUIREMENTS .....	22
XX. TERM .....	22
PART THREE: OVERVIEW OF PROGRESS ON VOLUNTARY DIVERSITY	
COMMITMENTS .....	22
A. Governance .....	23
B. Workforce Recruitment and Career Development .....	23
C. Supplier Diversity .....	24
D. Programming .....	25

## TABLE OF CONTENTS

	<i>Page</i>
E. Community Investment and Partnerships .....	26
F. Comcast Opportunity Fund.....	26

## APPENDICES

- A. NBCUniversal Non-Profit News Partners Progress Report (Jul. 30, 2012)
- B. NBCUniversal Non-Profit News Partners Progress Report (Jan. 28, 2013)
- C. Comcast PEG Pilot Program Progress Report (Jul. 30, 2012)
- D. Comcast PEG Pilot Program Progress Report (Jan. 28, 2013)

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC**

In the Matter of	)	
	)	
Applications of Comcast Corporation,	)	
General Electric Company,	)	MB Docket No. 10-56
and NBC Universal, Inc.	)	
	)	
For Consent to Assign Licenses and	)	
Transfer Control of Licensees	)	

February 28, 2013

**SECOND ANNUAL REPORT OF COMPLIANCE  
WITH TRANSACTION CONDITIONS**

Comcast Corporation (“Comcast”), for itself and on behalf of NBCUniversal Media, LLC (“NBCUniversal”) (and collectively, the “Company”), submits its second annual report regarding the Company’s compliance with the conditions set forth in Appendix A (the “Conditions”) of the *Transaction Order*<sup>1</sup>, for the period January 29, 2012 through January 28, 2013 (the “Reporting Period”). In accordance with Condition XIX of the *Transaction Order*, a copy of this report is available as of today on the Company’s corporate website.<sup>2</sup>

This report is structured as follows. *Part One: Compliance Structure Update* describes the Company’s ongoing efforts to oversee compliance with the Conditions. *Part Two: Compliance with Specific Conditions* summarizes the steps the Company has taken with respect to each of the Conditions. For ease of use, *Part Two* is organized to correspond with each section of the Conditions. Where a particular section is definitional only or otherwise does not include directives requiring or prohibiting certain conduct, this report nonetheless includes a reference for completeness. *Part Three: Overview of Progress on Voluntary Diversity Commitments* highlights some of the diversity and inclusion-related accomplishments that the Company has achieved during the Reporting Period.

---

<sup>1</sup> *Applications of Comcast Corporation, General Electric Company, and NBC Universal, Inc., for Consent to Assign Licenses and Transfer Control of Licensees*, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (as amended by the Erratum released on March 9, 2011). Capitalized terms have the meaning ascribed herein and do not necessarily conform to the terms or definitions used in the *Transaction Order*.

<sup>2</sup> See <http://corporate.comcast.com/news-information/nbcuniversal-transaction>.

## **PART ONE: COMPLIANCE STRUCTURE UPDATE**

As described in the *First Annual Report*<sup>3</sup>, the Company put in place a formal compliance infrastructure designed to oversee and guide its compliance with the Conditions and commitments related to the Transaction. Transaction compliance is led by David L. Cohen, Comcast Corporation's Executive Vice President, and supported by dedicated Transaction Compliance Teams at both Comcast and NBCUniversal. The teams collaborate to ensure consistency in compliance methods, interpretation, and oversight across the Company's numerous business units.

The Transaction Compliance Teams continue to devote substantial time to training Company personnel about the Conditions, including tailored, in-person training to affected business units, personalized training with new key personnel, and regular, semi-annual training for business leaders and in-house counsel in relevant business units of the Company. Training materials are regularly updated to account for the latest Transaction-related developments.

Compliance oversight efforts were further enhanced during the Reporting Period by the beta deployment of a compliance database designed to track all Conditions as well as related commitments and agreements (the "Compliance Tracker"). Once fully deployed, the Compliance Tracker will provide business users across the Company a centralized tool for goal tracking and reporting processes. The Compliance Tracker will also allow the Transaction Compliance Teams to manage the lifecycle of all Transaction-related obligations by facilitating review and documentation of task completion or gaps, and permitting ready status reports.

## **PART TWO: COMPLIANCE WITH SPECIFIC CONDITIONS**

### **I. DEFINITIONS**

*Provision defining the terms used in the Conditions:* This section is definitional only.

### **II. ACCESS TO COMCAST-NBCUNIVERSAL PROGRAMMING**

*Provision establishing that multichannel video programming distributors ("MVPDs") may submit program access disputes to commercial arbitration:* NBCUniversal is committed to good faith commercial negotiations designed to make its programming available to MVPDs at a mutually acceptable price, and on mutually acceptable terms and conditions. No MVPD has submitted any program access dispute to commercial arbitration during the Reporting Period.

---

<sup>3</sup> Letter from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56 (Feb. 28, 2012) ( "*First Annual Report*").

### III. CARRIAGE OF UNAFFILIATED VIDEO PROGRAMMING

#### 1. Non-Discriminatory Carriage

*Prohibition on the Company discriminating in video programming distribution on the basis of affiliation or non-affiliation:* Compliance with the program carriage requirements is integrated into the Company's day-to-day business and guides its carriage decisions; this is also an area of focus for the Comcast Transaction Compliance Team. No program carriage complaints were filed against Comcast during the Reporting Period.

Further, Comcast continued to demonstrate its commitment to the distribution of unaffiliated programming. In fact, unaffiliated programming networks comprise approximately six out of every seven networks carried by Comcast. During the Reporting Period, Comcast also launched or announced the launch of several new independent networks and substantially expanded the distribution of several existing independent networks owned by or focused on diverse audiences.<sup>4</sup>

#### 2. Neighborhooding

*Requirement that independent news channels be included if Comcast creates news neighborhoods:* On May 2, 2012, the Media Bureau released the *Neighborhood Order*, deciding Bloomberg Television's ("BTV") June 13, 2011 complaint under this Condition. The order directs Comcast to begin carrying BTV in one "news neighborhood" on each headend in the top 35 Nielsen Designated Market Areas that (i) carries BTV, (ii) has a grouping of at least four news channels within a cluster of five adjacent channel positions, and (iii) does not include BTV within a "news neighborhood".<sup>5</sup> The parties filed Applications for Review on June 1, 2012<sup>6</sup> and supplemental Applications for Review of the Bureau's *Clarification Order*<sup>7</sup> – which

---

<sup>4</sup> See also *Part Two: Compliance with Specific Conditions*, Section III.3, and *Part Three: Overview of Progress on Voluntary Diversity Commitments*, Section D.

<sup>5</sup> *Bloomberg L.P. v. Comcast Cable Communications, LLC*, MB Docket No. 11-104, Memorandum Opinion and Order (rel. May 2, 2012) ("*Neighborhood Order*") at ¶ 27.

<sup>6</sup> MB Docket No. 11-104, Application for Review of Bloomberg L.P. (filed June 1, 2012). Comcast also sought Commission review of the *Neighborhood Order*. See *Bloomberg L.P. v. Comcast Cable Communications, LLC*, MB Docket No. 11-104, Application for Review of Comcast Cable Communications, LLC (filed June 1, 2012).

<sup>7</sup> MB Docket No. 11-104, Memorandum Opinion and Order (rel. Aug. 14, 2012) ("*Clarification Order*") at ¶ 3.



determines the Bureau order's applicability to HD neighborhoods – on September 13, 2012.<sup>8</sup>

### **3. New Independent Networks**

*Requirement to launch 10 new independently owned or operated networks within eight years, eight of which are to be minority owned or controlled:* Comcast has now launched three of the 10 independent networks that it committed to in the Transaction. As last reported, Comcast launched independent channel BBC World News in 9 markets in 2011, with 14 more Comcast markets added in 2012. Comcast also launched two new, minority owned or operated independent channels during the Reporting Period, satisfying the first milestone in its separate voluntary commitment with various third parties that a subset of the 10 independently owned or operated networks to be added have Hispanic American or African American ownership or management.<sup>9</sup> The first Hispanic American selection, BabyFirst Americas, launched on May 12, 2012.<sup>10</sup> ASPIRE, the first African American selection, launched on June 27, 2012.<sup>11</sup>

### **4. Program Carriage Complaints**

*Procedure for bringing carriage complaints:* This section is administrative in nature.

## **IV. ONLINE CONDITIONS**

### **A. Online Program Access Requirements and Procedures**

*Provision setting forth program access requirements that obligate the Company to provide its programming for online display by third parties in certain circumstances:* Agreements with Online Video Distributors (“OVDs”) have become a regular part of the Company's program licensing business. NBCUniversal entered into new agreements with

---

<sup>8</sup> Comcast filed an Application for Review of the Bureau's findings in the *Clarification Order*. See *Bloomberg L.P. v. Comcast Cable Communications, LLC*, MB Docket No. 11-104, Application for Review of Comcast Cable Communications, LLC (filed Sep. 13, 2012). Bloomberg also sought Commission review of the *Clarification Order*. *Id.*, Application for Review of Bloomberg L.P. (filed Sep. 13, 2012).

<sup>9</sup> See Memorandum of Understanding between Comcast Corporation, NBCUniversal, and the Hispanic Leadership Organizations at § 7(b); and Memorandum of Understanding between Comcast Corporation, NBC Universal, and the African American Leadership Organizations at § 7(b)(i), included in the *Transaction Order* as Appendix G.

<sup>10</sup> Press Release, BabyFirst Americas Launches on Comcast's Xfinity TV (May 17, 2012), <http://finance.yahoo.com/news/babyfirst-americas-launches-comcasts-xfinity-120300870.html>.

<sup>11</sup> See also *Part Three: Overview of Progress on Voluntary Diversity Commitments*, Section D.

several OVDs during the Reporting Period, including deals with Amazon<sup>12</sup>, Barnes & Noble<sup>13</sup>, Flixster, Google, MediaNavi, Target, Toys ‘R Us, and Vd.io. NBCUniversal also renewed existing agreements with Apple, Blockbuster, Hulu, iNDemand, Microsoft, Samsung, Sony, and Vudu, among others, as well as deals with several MVPDs that include access to linear channels across multiple platforms.<sup>14</sup> Separate and apart from these commercial arrangements, NBCUniversal received requests for programming pursuant to the Conditions. Specifically, during the Reporting Period, NBCUniversal received and is negotiating several “full freight” requests. No new benchmark requests were received during the Reporting Period.

The one OVD arbitration to date was brought by Project Concord, Inc. (“PCI”) under the Benchmark Condition.<sup>15</sup> The results of that arbitration were reviewed by the Media Bureau, which agreed with NBCUniversal that, under the Condition, NBCUniversal may withhold films and TV shows from benchmark licenses when it demonstrates that providing such content would breach a contractual provision between NBCUniversal and a third party.<sup>16</sup> The Bureau also rejected PCI’s request for attorney’s fees, one of the other principle issues in dispute. Applications for Review were filed by both parties on December 13, 2012 and remain pending.<sup>17</sup> In the meantime, NBCUniversal has provided (and is not disputing its obligation to provide) significant content to PCI under the parties’ arbitrated and now-in-force programming agreement.

On December 4, 2012, the Media Bureau clarified that OVDs invoking the Benchmark Condition must disclose the terms of the comparable peer agreements to NBCUniversal’s outside counsel and consultants to the extent necessary to enable NBCUniversal to carry out its obligations under the Condition.<sup>18</sup> CBS Corporation, News Corporation, Sony Pictures

---

<sup>12</sup> Press Release, Amazon Announces Expanded Prime Instant Video Agreement with NBCUniversal Cable & New Media Distribution (Aug. 24, 2012), <http://www.businesswire.com/news/home/20120824005134/en/Amazon-Announces-Expanded-Prime-Instant-Video-Agreement>.

<sup>13</sup> S. Tibken, *Barnes & Noble Inks Video Deals in Time for Nook HD, HD+ Release*, CNET (Oct. 30, 2012), [http://news.cnet.com/8301-1035\\_3-57542377-94/barnes-noble-inks-video-deals-in-time-for-nook-hd-hd-release/](http://news.cnet.com/8301-1035_3-57542377-94/barnes-noble-inks-video-deals-in-time-for-nook-hd-hd-release/).

<sup>14</sup> See, e.g. M. Farrell, *Online Rights Figure Into New NBCU Deals – Peacock Strikes Wide-Ranging Pacts with Trio of Carriers*, Multichannel News (Dec. 3, 2012), <http://www.multichannel.com/internet-video/online-rights-figure-new-nbcu-deals/140497>.

<sup>15</sup> Condition IV.A.2.b.

<sup>16</sup> *In the Matter of the Arbitration between Project Concord, Inc. v. NBCUniversal Media, LLC*, Order on Review, MB Docket No. 10-56 (Nov. 13, 2012), at ¶¶ 42-62

<sup>17</sup> MB Docket No. 10-56, Project Concord, Inc. Application for Review (filed Dec. 13, 2012); NBCUniversal Media LLC’s Application for Review (filed Dec. 13, 2012).

<sup>18</sup> MB Docket No. 10-56, Order (rel. Dec. 4, 2012) (“*Benchmark Clarification Order*”).

Entertainment Inc., Time Warner Inc., Viacom Inc., and The Walt Disney Company (the “Content Companies”), filed an Application for Review of the *Benchmark Clarification Order*<sup>19</sup>, which Comcast and NBCUniversal opposed.<sup>20</sup>

## **B. Exclusivity/Windowing**

*Restriction on the Company’s ability to enter into or enforce provisions designed to limit online video distribution, except in certain circumstances:* The Company carefully reviews proposals to limit online display of video programming, whether in carriage or licensing agreements, to ensure compliance with this Condition. The Company believes that its approach positions it as the most “online friendly” programmer and MVPD in the industry. Notably, the Company continually receives proposals that seek to limit online display by MVPDs and programmers alike, illustrating the degree to which the practice remains common in the industry.

## **C. Continued Access to Online Content and Hulu**

### **1. Continued Programming on NBC.com**

*Requirement to continue to provide equivalent programming on NBC.com on equivalent terms and conditions:* During the Reporting Period, NBC.com maintained programming of the equivalent type, quantity, and quality as provided by the site on the date of the *Transaction Order*, and on equivalent terms and conditions.<sup>21</sup>

### **2. Preexisting OVD Deals**

*Obligation to honor any agreement or arrangement entered into before the date of the Transaction Order providing rights to online video programming:* Preexisting licenses for online display of programming continue to be honored until the close of their existing terms, absent material breach by the licensee.

### **3. Provision of Content to Hulu**

*Requirement that NBCUniversal renew its agreements with Hulu on substantially the same terms and conditions as the other two content partners (Disney-ABC Television Group*

---

<sup>19</sup> MB Docket No. 10-56, Application for Review of Media Bureau Order DA 12-1950 (filed Jan. 3, 2013).

<sup>20</sup> MB Docket No. 10-56, Opposition of Comcast Corporation and NBCUniversal Media, LLC to the Content Companies’ Application for Review (filed Jan. 18, 2013).

<sup>21</sup> See e.g., Press Release, NBC Entertainment Digital Provides Fans the Opportunity to Catch Up with their Favorite Shows this Summer (Jun. 18, 2012), <http://www.nbcuni.com/corporate/newsroom/nbc-entertainment-digital-provides-fans-the-opportunity-to-catch-up-with-their-favorite-shows-this-summer/>.

and Fox Entertainment Group): As last reported, the parties' interactions in this regard have been conducted in accordance with the provisions of this Condition.

#### **4. Relinquishment of Control over Hulu**

*Obligation to convert NBCUniversal's interest in Hulu to one that is purely economic:* As last reported, this obligation has been completed.<sup>22</sup>

#### **D. Standalone Broadband Internet Access Service ("BIAS")**

##### **1. Provision of Standalone BIAS**

*Requirement to provide BIAS on a standalone basis and to offer a new 6 Mbps down service at no more than \$49.95 per month:* Comcast continues to offer, on a standalone basis and at reasonable prices, any tiers of BIAS that it offers on a bundled or multi-product basis. Comcast also offers its "Performance Starter" tier, a 6 Mbps down standalone BIAS service, priced at \$49.95 per month. Pursuant to the *Broadband Consent Decree* entered into with the Commission on June 27, 2012, Comcast will continue to offer Performance Starter at least through February 21, 2015.<sup>23</sup> The *Broadband Consent Decree* also imposes training and other requirements to reinforce Comcast's standalone BIAS obligations.

##### **2. Visibly Offer and Actively Market Retail Standalone BIAS**

*Obligation to visibly offer and actively market standalone BIAS:* Comcast regularly promotes standalone BIAS in its general marketing efforts, referencing the standalone BIAS options in advertisements and other promotional materials. As required by this Condition, Comcast supplemented its normal practices during the Reporting Period with a major advertising campaign for its standalone BIAS offerings, including a significant promotional offer for the Performance Starter service.

To ensure that standalone services are actively marketed, Comcast's customer service representatives ("CSRs") undergo training, and all information concerning standalone BIAS offerings, including Performance Starter, is included on Comcast product lists and in ordering systems at Comcast retail locations. Comcast maintains a linkable web page devoted exclusively to describing (*e.g.*, price and speed) and permitting online purchase of all retail standalone BIAS offerings, including Performance Starter, by both new and existing Comcast customers. These commitments have been reinforced – and with respect to training, expanded – pursuant to the *Broadband Consent Decree*.

---

<sup>22</sup> Letter from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56 (Feb. 22, 2011).

<sup>23</sup> *In the Matter of Comcast Corporation*, File No.: EB-11-IH-0163, Consent Decree (rel. Jun. 27, 2012) ("*Broadband Consent Decree*").

### **3. BIAS Annual Report**

*Requirement that Comcast file a report regarding its compliance with Condition IV.D.1 annually and upon any standalone BIAS price adjustment:* Comcast filed the annual reports required by this Condition on February 22, 2012 and February 22, 2013, and separate price adjustment report on August 27, 2012.<sup>24</sup>

### **E. Other BIAS Conditions**

#### **1-2. Specialized Service Requirements**

*Requirements that apply should Comcast offer a “Specialized Service” that includes its own or third party content:* Comcast is not offering any “Specialized Service” as described in Condition IV.E.

#### **3. 12 Mbps Offering**

*Obligation to offer a BIAS tier of at least 12 Mbps down in all Comcast DOCSIS 3.0 markets:* A “Performance” service tier with at least 12 Mbps download speeds continues to be offered across Comcast’s entire DOCSIS 3.0 footprint. During the Reporting Period, the downstream speed of the Performance tier was increased to 15 Mbps in Comcast’s Top 30 markets.

### **F. “Specialized Service” on Comcast Set-Top Boxes (“STBs”)**

*Provision noting that the requirements of Condition IV.E.1 and 2 will apply should Comcast STBs enable access to a “Specialized Service”:* Because Comcast is not offering any “Specialized Service” as described in Condition IV.E, this Condition does not apply.

### **G. Unfair Practices**

*Prohibition on unfair methods of competition, retaliation, and improper influence:* The requirements of this Condition are consistent with the Company’s ordinary business practices and have been fully complied with.

## **V. NOTICE OF CONDITIONS**

*Requirement that the Company provide notice of the Conditions to OVDs, MVPDs, and video programming vendors in connection with expiring agreement or new requests:* In response to new requests for carriage or programming, or expiring agreements, the Company provides the requesting party with a copy of the Conditions by e-mail. In 2012, NBCUniversal distributed over 1,000 notices of Conditions to MVPDs, video programming vendors, and OVDs, and Comcast distributed close to 300 notices to programmers.

---

<sup>24</sup> Letters from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56 filed on Feb. 22, 2012, Aug. 27, 2012, and Feb. 22, 2013.



## **VI. REPLACEMENT OF PRIOR CONDITIONS**

*Provision replacing Adelphia arbitration procedures:* This Condition is administrative in nature.

## **VII. COMMERCIAL ARBITRATION REMEDY**

*Procedures for arbitration:* This Condition is administrative in nature; however, to the extent that the Company has engaged in arbitration pursuant to the Conditions to date, these procedures have governed.

## **VIII. MODIFICATIONS TO AAA RULES FOR ARBITRATION**

*Modification of the American Arbitration Association's rules:* This Condition is administrative in nature.

## **IX. BROADCAST CONDITIONS**

*Requirement to comply with Sections 2, 3, and 7 of the June 3, 2010 Agreement between Comcast Corporation, NBC Universal, Inc. and the NBC Television Affiliates (the "NBC Affiliates Agreement"), and with all of the terms of the June 21, 2010 Agreement between Comcast Corporation and the ABC Television Affiliates Association, the CBS Television Network Affiliates Association, and the FBC Television Affiliates Association (the "ABC, CBS and Fox Affiliates Agreement")*<sup>25</sup>: As last reported, the Company maintains separation between its cable and broadcast businesses with respect to NBCUniversal's negotiation of affiliation agreements and retransmission consent agreements with non-Comcast MVPDs, and Comcast's negotiations of retransmission consent agreements with broadcasters.<sup>26</sup> In addition, the Company abides by its affiliate market integrity obligations, and it has maintained major sporting events on the NBC Network<sup>27</sup>, as illustrated by, among other things, the more than 272.5 hours of London 2012 Olympics coverage that aired on the NBC Network. The NBC Network's Olympic coverage averaged 31.1 million viewers over 17 nights in primetime.<sup>28</sup>

---

<sup>25</sup> Appendix F to the *Transaction Order*.

<sup>26</sup> NBC Affiliates Agreement, at § 3.

<sup>27</sup> NBC Affiliates Agreement, at §§ 2, 7.

<sup>28</sup> Press Release, London Olympics on NBC is the Most-Watched Television Event in U.S. History (Aug. 13, 2012), <http://www.nbcuniversal.presscentre.com/content/detail.aspx?ReleaseID=11947>.

## **X. DIVERSITY CONDITIONS**

The Company's ongoing commitment to diverse programming is illustrated by its resurgent Telemundo unit. The 2011-2012 broadcast season was the network's best ever: Telemundo was the only Spanish-language broadcast network with growth in total viewers, marking its second straight season as the fastest growing Spanish-language broadcast network.<sup>29</sup> The ratings success was underscored by the best primetime performance in the network's history, including more than 173 hours of the London 2012 Olympic Games on Telemundo.<sup>30</sup> This generated a record-breaking cumulative viewership of 22.5 million, 42% over Telemundo's broadcast of the 2008 Beijing Olympic Games.<sup>31</sup> Already the number one producer of Spanish-language primetime content, Telemundo announced it will increase its original production by more than 50 percent at its Miami-based Telemundo Studios, further solidifying its position as the leading media company producing original content by and for Hispanics.<sup>32</sup>

### **1. Telemundo Multicast Channel**

*Requirement that the Company launch a new multicast channel on its Telemundo Station Group stations by January 28, 2012, and make this programming available to Telemundo affiliates:* As last reported, this obligation has been completed.

### **2-3. Telemundo and mun2 Programming on Comcast On Demand ("VOD") and On Demand Online ("Online")**

*Requirement that the Company use its VOD and Online platforms to feature Telemundo programming and increase the number of Telemundo and mun2 VOD programming choices*

---

<sup>29</sup> Press Release, Telemundo Media Fastest Growing Spanish-Language Broadcast Network for 2011-2012 Season, Best Season Ever Among Total Viewers, Up +12% (Sep. 26, 2012), <http://telemundomediakit.com/2012/09/26/telemundo-media-fastest-growing-spanish-language-broadcast-network-for2011-2012-season-best-season-ever-among-total-viewers-up-12/>.

<sup>30</sup> Press Release, NBCUniversal Announces its Most Extensive Spanish-Language Olympic Coverage Ever with More Than 173 Hours on Telemundo (May 14, 2012), <http://www.nbcuni.com/corporate/newsroom/nbcuniversal-announces-its-most-extensive-spanish-language-olympic-coverage-ever-with-more-than-173-hours-on-telemundo/>.

<sup>31</sup> Press Release, In 2012, Telemundo Media Delivers Best Primetime Performance in Network History Building on Last Year's Record Setting Results, Up 4% Among Total Viewers (Dec. 13, 2012), <http://telemundomediakit.com/2012/12/13/in-2012-telemundo-media-delivers-best-primetime-performance-in-network-history-building-on-last-year's-record-setting-results-up-4-among-total-viewers/>.

<sup>32</sup> Press Release, Telemundo Media Announces More Than 800 Hours of New Content – Nearly 40 Percent Increase in Original Programming (May 14, 2012), <http://www.nbcuni.com/corporate/newsroom/telemundo-media-announces-more-than-800-hours-of-new-content-nearly-40-percent-increase-in-original-programming/>.

*from 35 to 100 choices within 12 months and by an additional 200 choices within 3 years:* During the Reporting Period, the number of Telemundo and mun2 VOD programming choices available on Comcast's central VOD storage facilities averaged 135 a month.

Telemundo and mun2 programming is also available Online on Comcast's XfinityTV.com portal, which featured over 46 choices, including full-length episodes of popular programs like *Rosa Diamante* and *Larrymania*.<sup>33</sup> In addition, Telemundo and mun2 continue to offer full-length episodes on their respective websites: Telemundo.com offers close to 60 programs<sup>34</sup> and mun2.tv offers close to 15 programs.<sup>35</sup> This wealth of content helped Telemundo.com record its best year ever, with growth of 71% for unique users across digital and mobile platforms, and a 58% increase in video streams.<sup>36</sup> And, for the first time in the network's history, Telemundo offered live streaming of broadcast coverage together with exclusive, digital-only content of Olympic events, news, announcements, and information for authenticated subscribers totaling more than 200 hours of digital video, including all Telemundo on-air broadcasts and the live streaming of trials involving Hispanic athletes.<sup>37</sup>

#### **4. New Weekly Business Program**

*Obligation to work with an independent producer to produce a new weekly business news program:* As last reported, the Company fulfilled this obligation in 2011.

#### **5. Independent Programming Reports**

*Requirement to file quarterly reports concerning the independent programming aired by the Company's owned or controlled stations and programming networks:* The Company filed reports with the Commission containing information on the independent programming aired by each of the Company's owned or controlled stations and programming networks during each calendar quarter.<sup>38</sup> The reports were posted and remain available on the Company's corporate

---

<sup>33</sup> See <http://xfinitytv.comcast.net/tv-networks/Telemundo-Network-Group%2C-LLC/80/main> and <http://xfinitytv.comcast.net/tv-networks/mun2/484/main> (last visited on Jan. 28, 2012).

<sup>34</sup> See <http://msnlatino.telemundo.com/videos/allprograms> (last visited on Jan. 28, 2012).

<sup>35</sup> See <http://www.mun2.tv/watch/full-episodes> (last visited on Jan. 28, 2012).

<sup>36</sup> See *supra* note 29.

<sup>37</sup> Press Release: Telemundo Unveils London 2012 Plan for Most Extensive Spanish-Language Olympic Coverage Ever (Jun. 1, 2012), <http://www.nbcuni.com/corporate/newsroom/telemundo-unveils-london-2012-plan-for-most-extensive-spanish-language-olympic-coverage-ever/> (Jun. 1, 2012).

<sup>38</sup> The reports were filed in MB Docket No. 10-56 on the following dates: April 16, 2012 (first quarter); July 16, 2012 (second quarter); October 15, 2012 (third quarter); and January 15, 2013 (fourth quarter).

website<sup>39</sup>, and are also accessible through a link posted on the homepage of each reporting station or network's website. While the Condition establishes no target, it is worth noting that, as detailed in the reports, the Company collectively aired approximately 146,029 hours of independent programming during 2012, an average of over 36,500 hours per quarter.

## **XI. LOCALISM**

### **1. News, Public Affairs, and Other Local Public Interest Programming**

*Obligation to “preserve and enrich the output of local news, local public affairs, and other public interest programming” through the use of certain windows on the NBCUniversal-owned stations, time slots on the cable channels, and Comcast VOD and Online platforms:* Beyond the considerable, long-term investments in local news operations summarized in the *First Annual Report* – including the most significant expansion in recent years of the news departments at the stations that comprise the NBC Owned Television Stations and the Telemundo Station Group divisions – the Company continues to preserve and enhance local news by making strategic investments in its owned stations.

Local news and public interest programming is also benefiting from increased synergies between the Company's news divisions. For example, NBC News and Telemundo Media joined forces to deliver an unprecedented number of hours of political coverage in English and Spanish under their signature political banner “Decision 2012.” Through this partnership, NBC News gave Telemundo access to the assets and strengths of the leading news organization in the country, while Telemundo contributed its expertise and reach within the Hispanic community.<sup>40</sup>

Comcast also made several highly-publicized launches of new local and public interest content on its VOD and Online platforms. For example, Comcast's VOD platform hosted public interest programming as part of its celebration of 2012's Black History Month, Asian Pacific American Heritage Month, LGBT Pride Month, Native American Heritage Month, and Hispanic Heritage Month. Many of these public interest programming choices were also available Online

---

<sup>39</sup> See <http://corporate.comcast.com/news-information/nbcuniversal-transaction/independent-programming>.

<sup>40</sup> Press Release, NBC News and Telemundo Media Join Forces to Deliver Unprecedented Political Coverage with “Decision 2012” (Jun. 14, 2012), <http://www.nbcuni.com/corporate/newsroom/nbc-news-and-telemundo-media-join-forces-to-deliver-unprecedented-political-coverage-with-decision-2012/>.

at XfinityTV.com.<sup>41</sup>

a. Preservation of Current Levels of NBC and Telemundo News and Information Programming

*Prohibition on reduction of current level of news and information programming on the stations that comprise the NBC Owned Television Stations and Telemundo Station Group divisions:* During the Reporting Period, the NBCUniversal-owned NBC and Telemundo television stations did not reduce their level of news and information programming from the amount aired in the year preceding the close of the Transaction.

b. Increased Investment in NBC Local News

*Obligation to expand newscasts at the stations that comprise the NBC Owned Television Stations division:* Over the past 18 months, the NBC Owned Television Stations division has made significant investments in the investigative units of its stations. All 10 stations now have dedicated investigative news units, an expansion that required the creation of 30 new positions, bringing the division's total of investigative journalists to over 60. The division also invested in training for the investigative units by, for example, sending unit members to the 2012 Investigative Reports & Editors conference, and holding sessions on computer-assisted reporting to develop high-impact investigative stories.

Additional investment in the stations' news coverage includes NBC 4 Washington (WRC)'s opening of news bureaus in Northern Virginia and Prince Georges County, Maryland to expand local coverage in those areas of the market.<sup>42</sup> Three stations, NBC 4 Southern California (KNBC), NBC 4 New York (WNBC), and NBC 10 Philadelphia (WCAU) acquired news helicopters.<sup>43</sup> NBC 4 New York (WNBC) debuted a new studio at Rockefeller Center for

---

<sup>41</sup> Press Releases, Comcast's Xfinity Celebrates Black History Month with Special Entertainment Choices Across Screens and Devices (Jan. 31, 2012), <http://www.comcast.com/About/PressRelease/PressReleaseDetail.ashx?PRID=1147&SCRedirect=true>; Xfinity TV Celebrates Asian-Pacific American Heritage Month (May 7, 2012), <http://corporate.comcast.com/news-information/news-feed/xfinity-tv-celebrates-asian-pacific-american-heritage-month>; Xfinity TV Launches New LGBT On Demand Destination in Celebration of Pride Month (Jun. 1, 2012), <http://corporate.comcast.com/news-information/news-feed/xfinity-tv-launches-new-lgbt-on-demand-destination-in-celebration-of-pride-month>; Xfinity TV Celebrates Native American Heritage Month (Nov. 7, 2012), <http://corporate.comcast.com/news-information/news-feed/xfinity-tv-celebrates-native-american-heritage-month>.

<sup>42</sup> J. O'Connell, *NBC 4 Opening Bureaus in Reston, Landover*, Washington Post (Oct. 10, 2012), [http://www.washingtonpost.com/blogs/capital-business/post/nbc4-opening-bureaus-in-reston-landover/2012/10/10/677b6300-1313-11e2-ba83-a7a396e6b2a7\\_blog.html](http://www.washingtonpost.com/blogs/capital-business/post/nbc4-opening-bureaus-in-reston-landover/2012/10/10/677b6300-1313-11e2-ba83-a7a396e6b2a7_blog.html).

<sup>43</sup> See, e.g. M. Malone, *KNBC Los Angeles Helicopter Takes Flight*, Broadcasting & Cable (Jan. 25, 2012), [http://www.broadcastingcable.com/article/479603-KNBC\\_Los\\_Angeles\\_Helicopter\\_Takes\\_Flight.php](http://www.broadcastingcable.com/article/479603-KNBC_Los_Angeles_Helicopter_Takes_Flight.php).



its news broadcasts<sup>44</sup>, while NBC 5 Chicago (WMAQ) and NBC 6 South Florida (WTVJ) remodeled their news studios.<sup>45</sup> NBC 5 Dallas (KXAS) and its sister station, Telemundo Dallas (KXTX) are in the process of building a new joint facility for their news and other broadcasts.<sup>46</sup>

c. Increased Investment in Telemundo Local News

*Obligation to increase investment in the Telemundo Station Group's locally-produced newscasts, over three years:* In 2012, the Telemundo Stations Group invested almost \$7 million in capital improvements, including the expansion of local news, newsgathering equipment, transmission upgrades and technology, and distribution platforms.<sup>47</sup> In addition, the control rooms were upgraded at the Telemundo Station Group stations serving the Bay Area (KSTS), Chicago (WSNS), Houston (KTMD), and Puerto Rico (WKAQ). The revamped Telemundo local news operation has garnered numerous accolades, including more than two dozen regional Emmy awards, as well as local awards in recognition of the stations' investigative reporting.

**2-3. 1,000 Hours of Additional Local News and Information**

a. NBC Owned Television Stations

*Requirement that the stations that comprise the NBC Owned Television Stations division produce an additional 1,000 hours per year of original, local news and information programming to air on multiple platforms:* During the Reporting Period, across the 10 stations that comprise the NBC Owned Television Stations division, the Company produced and aired approximately 1,700 hours of regularly scheduled local news programming over and above the amount aired in the year preceding the closing of the Transaction. This exceeds the requirement in this Condition by approximately 70%. The increase was accomplished primarily by expanding local newscasts on the stations' primary channels.

---

<sup>44</sup> H. Jessell, *WNBC Studio is a Room with a View*, TVNewsCheck.com (Apr. 26, 2012), <http://www.tvnewscheck.com/article/59017/wNBC-studio-is-a-room-with-an-hd-view>.

<sup>45</sup> A. Gauthier, *WMAQ Debuts Brand-New Set*, TV Spy (Feb. 29, 2012), [http://www.mediabistro.com/tvspy/wmaq-debuts-brand-new-set\\_b40684](http://www.mediabistro.com/tvspy/wmaq-debuts-brand-new-set_b40684); Miami NBC Upgrading Set Graphics, Name, Newscast Studio (Jul. 10, 2012), <http://www.newscaststudio.com/blog/2012/07/10/miami-nbc-upgrading-set-graphics-name/>.

<sup>46</sup> NBC 5 to Build State-of-the-Art Media Facility in Fort Worth, NBCDFW.com (Jun. 11, 2012), <http://www.nbcdfw.com/on-air/about-us/NBC-5-to-Build-State-of-the-Art-Media-Facility-in-Fort-Worth-158444705.html>.

<sup>47</sup> See e.g., Press Release, Telemundo Station Group Launches Multimillion Dollar Investment and Names New General Managers in Key Markets (May 9, 2012), <http://www.nbcuni.com/corporate/newsroom/telemundo-station-group-launches-multimillion-dollar-investment-and-names-new-general-managers-in-key-markets/>.

Although the stations have focused on developing new news programming on their primary channels – where the audience is greater – many of the stations also air local news on their multicast channels. Last fall, the NBC Owned Television Stations division announced the launch of COZI TV, a 24-hour national network on the stations’ multicast channels. COZI TV programming includes daily time blocks for the stations to air local news, sports, and special events.<sup>48</sup>

In addition to the regularly scheduled local news programming, the four NBC Owned Stations in the Northeast and Mid-Atlantic carried more than 240 hours of live coverage of Hurricane Sandy and its aftermath. NBC 4 New York (WNBC) provided 140 hours of live reporting on Hurricane Sandy, while NBC Connecticut (WVIT), NBC 10 Philadelphia (WCAU), and NBC 4 Washington (WRC), combined, aired more than 100 hours of live Hurricane Sandy coverage. These stations collectively deployed 85 reporters in the field each day to deliver local residents critical information needed to prepare and protect themselves before, during, and after the devastating storm. The stations also worked closely with NBC News and The Weather Channel to share information and resources. In order to make the Hurricane Sandy coverage available to the tens of thousands in the area who had suffered from power losses, the stations also simulcast their coverage over several radio stations and live streamed newscasts so they were available to viewers via tablet and mobile devices.

b. Telemundo Station Group

*Requirement that at least six of the stations that comprise the Telemundo Station Group division collectively produce an additional 1,000 hours per year of original, local news and information programming:* During the Reporting Period, nine of the owned Telemundo stations collectively produced and aired close to 1,400 hours of regularly scheduled local news programming over and above the amount aired in the year preceding the closing of the Transaction. This exceeds the requirement in this Condition by approximately 40%. News and information programming added since the closing of the Transaction includes new local weekend newscasts in New York and Dallas.

**4. News and Information Programming Reports**

*Requirement to file quarterly reports regarding the news and information programming aired on the stations that comprise the NBC Owned Television Stations and the Telemundo Station Group divisions:* The Company filed reports with the Commission containing information on the news and information programming aired by the stations that comprise the NBC Owned Television Stations and the Telemundo Station Group divisions during each calendar quarter.<sup>49</sup> The reports were posted and remain available on the Company’s corporate

---

<sup>48</sup> Press Release, NBC Owned Stations Deliver Exciting Viewing Experience with COZI TV (Oct. 24, 2012), <http://www.nbcuniversal.presscentre.com/content/detail.aspx?ReleaseID=13241>.

<sup>49</sup> The reports were filed in MB Docket No. 10-56 on the following dates: April 16, 2012 (first quarter); July 16, 2012 (second quarter); October 15, 2012 (third quarter); and January 15, 2013 (fourth quarter).

website<sup>50</sup>, and are also accessible through a link posted on the homepage of each reporting station's website. While the Condition establishes no target, it is noteworthy that, as detailed in the reports, the stations that comprise the NBC Owned Television Stations and the Telemundo Station Group divisions collectively aired approximately 29,527 hours of news and information programming during 2012, an average of over 7,381 hours per quarter.

## **5. Non-Profit News Partners**

*Requirement that half of the 10 stations that comprise the NBC Owned Television Stations division establish cooperative arrangements with locally focused non-profit news organizations:* Attached as Appendices A and B and incorporated by reference are the reports filed on July 30, 2012 and January 28, 2013 pursuant to and reporting compliance with this Condition.<sup>51</sup> As required by Condition XI.5.f, copies of both reports were posted and remain available for public viewing on the homepage of each of the 10 stations that comprise the NBC Owned Television Stations division.

## **6. More VOD Choices at No Additional Charge**

*Obligation to continue providing at least 15,000 VOD choices at no additional charge to Comcast customers:* During the Reporting Period, the total number of VOD choices available at no additional charge to Comcast customers averaged 36,702 a month, more than doubling the requirement of this Condition.

## **7. Broadcast Content on VOD**

*Obligation to make available certain broadcast content at no additional charge on Comcast's VOD service:* During the Reporting Period, Comcast offered nearly 9,000 VOD broadcast content choices a month to its customers at no additional charge; and Comcast's VOD service continues to be the only VOD service that offers programming from all four major broadcast networks as soon as the day after it airs. Comcast also signed its first ever VOD deal with The CW, bringing the broadcast network's primetime series to Comcast VOD customers at no extra charge.<sup>52</sup>

---

<sup>50</sup> See <http://corporate.comcast.com/news-information/nbcuniversal-transaction/news-and-information-programming>.

<sup>51</sup> Letters from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56, dated Jul. 30, 2012 and Jan. 28, 2013.

<sup>52</sup> M. O'Connell, *The CW Inks First On Demand Deal with Comcast* (Oct. 24, 2012), <http://www.hollywoodreporter.com/live-feed/cw-inks-first-demand-deal-382290>.

## **XII. JOURNALISTIC INDEPENDENCE**

*Requirement that the Company continue NBCUniversal's policy of journalistic independence:* NBCUniversal's policy of journalistic independence remains in effect and is overseen by David McCormick, NBCUniversal News Ombudsman and Vice President of Standards at NBC News, and supported by Kevin Keeshan, Ombudsman of the NBC Owned Television Stations division. Comcast has likewise adopted a policy to ensure the journalistic independence of the news programming organizations of all NBCUniversal networks and stations.

## **XIII. CHILDREN'S PROGRAMMING**

### **1. Additional Children's VOD and E/I Programming**

a-b. *Requirement to add an additional 500 VOD programming choices appealing to children and families to Comcast's central VOD storage facilities by year-one and an additional 1,000 choices by year-three:* Total children's VOD programming choices now average 5,900 per month – roughly 2,000 more choices than the pre-Transaction benchmark and 1,000 more than required by the year-three milestone. In addition, Comcast has provided its authenticated subscribers with access to most of these additional VOD programs through XfinityTV.com to the extent it had the rights to do so.

c. *Obligation to provide one additional hour per week of children's "core" E/I programming:* As last reported, all 10 stations that comprise the NBC Owned Television Stations division are airing an additional (fourth) hour of children's E/I programming every week on their qualifying multicast channels.<sup>53</sup> The Telemundo Station Group is also airing an additional hour of E/I programming every week on each station's primary channel, and now airs two hours of children's educational programming on its primary channel on each Saturday and Sunday morning.

### **2. Ratings Icons and Parental Controls**

#### **a. Improved Ratings Icons**

*Requirement that the Company provide clear and understandable on-screen TV ratings information for all original entertainment programming on its broadcast and cable networks in compliance with the cable industry's best-practice standards:* As last reported, NBCUniversal networks have implemented the improved ratings icons required by this Condition.

---

<sup>53</sup> On a handful of stations, technical issues during the launch of the new COZI TV multicast network resulted in delayed or skipped segments of the fourth hour of children's programming. The segments were promptly re-aired and, consistent with Commission rules and policies, the stations notified program listing services and made on-air announcements to promote the rescheduled airings.

b. Improved Parental Controls

*Requirement that the Company provide improved parental controls for Comcast program guides and STB applications:* As last reported, Comcast enhanced the functionality of the parental controls in 2011.

c. Parental Dashboard

*Obligation to provide a parental dashboard that places all parental controls in one place, and white listing capabilities on tru2way boxes, by the end of 2013:* The parental dashboard deadline occurs in 2013 and will be included in the report to be filed on February 28, 2014.

d. Blocking Capabilities of IP-based STBs

*Obligations to provide parental controls and blocking capabilities for IP-based STBs:* The first milestone associated with this Commitment occurs in 2013 and will be included in the report to be filed on February 28, 2014.

e. Online Ratings Icons

*Obligation to include program ratings information in the Company's produced or licensed programming that the NBCUniversal networks provide to NBC.com, to other NBCUniversal websites, and to Hulu.com:* As last reported, all of the programming provided by the NBCUniversal networks to NBC.com, other NBCUniversal websites, and Hulu.com includes online program ratings information.

**3. Partnership with Common Sense Media ("CSM")**

*Requirement to expand the Company's partnership with organizations offering enhanced information to help guide family viewing decisions:* The Company continues to use CSM materials as part of its efforts to provide parents with information to help them make educated viewing decisions for their families. CSM content – including thousands of review videos, tip videos, ratings, and recommendations – is integrated into Comcast's VOD service and promoted on XfinityTV.com, and Comcast supports a variety of CSM initiatives on issues ranging from Internet safety to cyberbullying. In addition, the Company ran more than \$29 million worth of public service announcements ("PSAs") in support of CSM's digital literacy project during 2012. NBCUniversal also helped CSM produce Spanish language digital literacy PSAs that run on Telemundo, and solicited CSM input and content for NBCUniversal's own educational campaigns. In addition, CSM experts participated in a number of parenting advice segments on the *TODAY* show.

**4-5. Interactive Advertising**

*Restrictions on the use of "Interactive Advertising" in programming produced primarily for children:* Comcast and NBCUniversal prohibit the insertion of interactive advertisements



into networks or programming produced and transmitted primarily for an audience of children 12 years old or younger.

## **6. PSAs**

*Requirement that the Company, for five years, provide \$15 million worth of PSAs per year for five years on various public interest topics:* From January 1, 2012 through December 31, 2012, the Company aired PSAs with a value of over \$24 million on the four topics designated by this Condition (digital literacy, parental controls, nutritional guidelines<sup>54</sup>, and childhood obesity) on networks that have a higher concentration than the median cable network of adults 25-54 with children under 18 in the household.<sup>55</sup> This investment exceeds the value established in the Condition by more than \$9 million.

In addition, the Company worked with U.S. Olympic Committee and First Lady Michelle Obama to produce PSAs on physical fitness which aired during and around the 2012 Summer Olympics on NBC and various NBCUniversal networks. The Company also partnered with the Ad Council to produce two new PSAs on nutritional guidelines which aired regularly on the Style Network, as well as on other NBCUniversal networks.

As required, PSAs on childhood obesity aired at least once during each hour of NBC's "core" educational/instructional ("E/I") programming, plus an average of two times a day on Sprout. Sprout produced and aired "Let's Move" PSAs featuring Mrs. Obama and Sprout characters. Telemundo also aired Spanish-language childhood obesity PSAs during its children's block throughout the year.

## **XIV. PEG CONDITIONS**

### **1. No Migration to Digital Delivery**

*Prohibition on migrating PEG (Public, Educational and Governmental) channels to digital delivery on any Comcast cable system until the system has converted to all-digital distribution:* During the Reporting Period, Comcast did not migrate any PEG channels to digital delivery on any system that has not converted to all-digital distribution.

### **2. PEG Carriage on Digital Starter**

*Requirement that Comcast carry all PEG channels on its digital starter (D0) tier:* During the Reporting Period, Comcast maintained carriage of all PEG channels on its digital starter (D0) tier or on an equivalent tier that reaches 85% of subscribers on the applicable Comcast system.

---

<sup>54</sup> The Company aired PSAs on the nutritional guidelines promulgated by the U.S. Department of Agriculture.

<sup>55</sup> Qualifying networks were identified using viewership information obtained through The Nielsen Co. and are reviewed on a quarterly basis for changes.

### **3. Quality of PEG Delivery**

*Prohibition on changing the method of delivery of PEG channels that results in a material degradation of signal quality or impairment of viewer reception:* During the Reporting Period, Comcast did not implement any changes in the method of delivery of PEG channels that resulted in a material degradation of signal quality or impairment of viewer reception.

### **4. PEG Pilot Program**

*Obligation to develop a platform to host PEG content on VOD and online:* Attached as Appendices C and D and incorporated by reference are the July 30, 2012 and January 28, 2013 reports filed pursuant to and reporting on compliance with this Condition.<sup>56</sup> As required by Condition XIV.4.c.vii, copies of those reports were posted and remain available on the Company's corporate website.<sup>57</sup>

## **XV. NCE and LOCAL NCE**

*Requirements with respect to Comcast's carriage of Qualified Noncommercial Educational ("NCE") Stations and Qualified Local Noncommercial Educational ("Local NCE") Stations:* No NCE or Local NCE stations carried on Comcast cable systems relinquished their broadcast spectrum during the Reporting Period.

## **XVI. BROADBAND DEPLOYMENT AND ADOPTION**

### **1. Broadband Footprint Expansion**

#### **a. 1,500-mile Expansion**

*Requirement that Comcast expand its broadband network by at least 1,500 miles per year for three years and extend its broadband plant to approximately 400,000 additional homes:* In 2012, Comcast expanded its existing broadband network by 1,964 miles, surpassing the annual 1,500 mile requirement by 464 miles, and bringing the combined 2011 and 2012 build out total to 4,008 miles or 89% of the total three-year commitment. In addition, Comcast extended its broadband plant to 221,891 additional homes, exceeding the milestone with a cumulative total of 421,767 additional homes or 105% of the three-year commitment.

#### **b. Internet Service Upgrades to Rural Communities**

*Requirement to upgrade Internet service to at least six additional rural communities in 2011:* As last reported, Comcast fulfilled this commitment in 2011.

---

<sup>56</sup> See *supra* note 51.

<sup>57</sup> See <http://corporate.comcast.com/news-information/nbcuniversal-transaction>.

c. Additional Courtesy Accounts

*Requirement to provide an additional 600 Comcast courtesy video and BIAS account locations over three years at a rate of 200 additional locations per year:* In 2012, Comcast provided an additional 213 courtesy video and BIAS accounts to schools, libraries, and other community institutions in underserved areas in which broadband penetration is low and there is a high concentration of low income residents. This brings the combined 2011 and 2012 total of qualifying courtesy account services to 424 or 71% of the three-year commitment.

**2. Broadband Adoption – *Internet Essentials*, the Comcast Broadband Opportunity Program**

*Requirement to launch the Comcast Broadband Opportunity Program:* Comcast's commitment to bridging the digital divide is exemplified by the *Internet Essentials* program, which has now connected over 150,000 low-income families (an estimated 300,000 children and 600,000 low-income Americans) to the Internet in just 18 months. Outreach efforts have remained strong with participation from over 4,000 school districts, or nearly 30,000 schools, as well as nearly 7,000 community-based organizations, government agencies and federal, state, and local elected officials. Over 10,000 people have attended in-person digital literacy training classes held by our community-based partners, and over 15,000 computers have been sold to *Internet Essentials* families. Over the course of the program, Comcast has distributed over 25 million pieces of *Internet Essentials* materials for free to school districts and community partners.

On July 31, 2012, Comcast filed its first *Annual Compliance Report on Internet Essentials*, the Comcast Broadband Opportunity Program.<sup>58</sup> As required by Condition XVI.2.1, a copy of the report was made available on the Company's corporate website<sup>59</sup> and also at [www.InternetEssentials.com/news](http://www.InternetEssentials.com/news). The report was immediately followed by an aggressive promotional campaign to mark the beginning of "Year Two" of *Internet Essentials*, which included back-to-school themed kick-off events in 21 cities, including Washington D.C., Philadelphia, Boston, and Albuquerque.

Comcast will continue to enhance the program in various ways for 2013. Most significantly, Comcast has expanded the eligibility criteria to include families with homeschooled, private, and parochial students. This will make nearly 200,000 additional families eligible for *Internet Essentials* in Comcast's service area – bringing the total to nearly 2.6 million eligible families.

---

<sup>58</sup> Letter from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56, dated Jul. 31, 2012.

<sup>59</sup> See <http://corporate.comcast.com/news-information/nbcuniversal-transaction>.

## **XVII. GENERAL**

*Prohibition on the Company entering into any agreement or arrangement or taking any other action that has the purpose or effect of impairing the effectiveness of these Conditions:* The Transaction Compliance Teams and the Company's internal review process are in place to oversee compliance with this Condition.

## **XVIII. VIOLATIONS**

*Provision stating that any violation of the Conditions shall be a violation of the Transaction Order:* This section is informational only.

## **XIX. REPORTING REQUIREMENTS**

*Requirement that the Company report to the Commission annually regarding compliance with these Conditions and post each such report on its website:* The filing of this annual report satisfies this Condition for the second year. A copy of this report is available as of today on the Company's corporate website.<sup>60</sup>

## **XX. TERM**

*Provision setting general seven-year term for the Conditions:* This section is informational only.

## **PART THREE: OVERVIEW OF PROGRESS ON VOLUNTARY DIVERSITY COMMITMENTS**

With the goal of developing the most successful model of diversity and inclusion in the communications and entertainment industry, Comcast and NBCUniversal have adopted and implemented a comprehensive set of strategic approaches and detailed plans designed to achieve and build upon the diversity and inclusion initiatives contained in the Memoranda of Understanding ("MOUs")<sup>61</sup> entered into with various national diverse organizations. The Company made significant strides in diversity and inclusion in 2012, in some cases exceeding its goals, while also identifying opportunities for further development. Over 2013, the Company will focus on the steps needed to expand its progress and to further embed diversity and inclusion into the culture and fabric of the entire business.

---

<sup>60</sup> *Id.*

<sup>61</sup> See Appendix G to the *Transaction Order*. These voluntary diversity commitments span the following five key "Focus Areas," each of which is discussed herein: (1) governance; (2) workforce recruitment and career development; (3) supplier diversity; (4) programming; and (5) community investment and partnerships.

Although not required as part of this Annual Report, the Company takes this opportunity to highlight progress on select diversity and inclusion-related initiatives during the Reporting Period.

#### **A. Governance**

The Company continues to fulfill its Governance commitments through the diversity and inclusion governance structure instituted immediately after the Closing of the Transaction and led by David L. Cohen, Comcast's Comcast Executive Vice President and Chief Diversity Officer. This structure ensures that the Company's diversity and inclusion initiatives continue to receive top-level oversight, constant and timely feedback from stakeholders, and broad organizational support.

As last reported, the Company's external Joint Diversity Advisory Council ("Joint Council")<sup>62</sup> plays a significant role in advising on the Company's diversity and inclusion efforts. The Joint Council was actively engaged throughout the Reporting Period, including formal meetings in April and November 2012 attended by Comcast and NBCUniversal leadership. Comcast Chairman and Chief Executive Officer Brian L. Roberts attended the November meeting and met with each Diversity Advisory Council and At-Large Member. In addition, members of the Joint Council regularly interact with the Company's Internal Diversity Councils and corporate-level Diversity and Inclusion Groups to share information and consult about ideas for achieving diversity and inclusion goals.

The make-up of the Comcast Board of Directors is, as last reported, more than one-third diverse. Comcast is actively engaged in efforts to develop various pipelines for future diverse Board members.

#### **B. Workforce Recruitment and Career Development**

The Company continues to work toward its goal of being an industry leader in workforce diversity and inclusion. In pursuit of this goal, the Company has focused on promoting and recruiting more diverse employees, particularly at the vice president level and above. Other initiatives to expand opportunities for diverse candidates include retaining search firms with track records of recruiting diverse candidates and engaging student candidates through events hosted by diverse professional organizations, including sponsoring and attending career fairs and recruitment events held at colleges and universities that historically serve minorities. The Company has also specifically focused on hiring 1,000 U.S. Veterans over three years as part of the *Hiring 500,000 Heroes* campaign. As of year-end 2012, the Company was 90% towards its goal of veterans hired under this program.

---

<sup>62</sup> The Joint Council consists of four, nine-member Diversity Advisory Councils representing the interests of African Americans, Asian Americans, Hispanics, and Women, respectively. The Joint Council also has At-Large Members representing other diverse groups, including Native Americans, Veterans, People with Disabilities, and members of the Lesbian, Gay, Bisexual, and Transgender ("LGBT") community.



During the Reporting Period, the Company also adopted new and expanded workforce development and training programs, augmenting the more than 80 programs already in place. The new programs are aimed at increasing opportunities for diverse high potential employees to develop and prepare them for promotion to executive positions, and raise overall awareness about diversity and inclusion.

The Company continues to build upon NBCUniversal's successful history with Affinity Groups – sponsored workplace groups focused on the needs of individual diverse communities, and offering opportunities for training, mentoring, socialization, support, and community volunteering. NBCUniversal's Affinity Groups' membership grew to over 7,172 employees in 2012. Meanwhile, Comcast continues to build on its 2011 launch of eight pilot affinity groups at its corporate headquarters. As of year-end 2012, Comcast's eight Affinity Groups had approximately 2,800 members.

The Company monitors key metrics to assess the effectiveness of its workforce diversity and inclusion efforts. Accountability for diversity and inclusion initiatives and outcomes is reinforced by the involvement of business leaders at all levels of the Company. Measures such as linking merit increases and bonus structures to diversity achievements reinforce the culture of commitment and accountability.

### **C. Supplier Diversity**

The Company's efforts to increase and improve the participation of diverse-owned businesses in the Company's supply chain are yielding positive results. Comcast and NBCUniversal do a substantial amount of business with diverse suppliers, including minority, women, and veteran-owned business enterprises. The Company partners with minority-led chambers of commerce and other diverse business organizations throughout the country at the national and regional level. Further, in order to raise awareness among diverse suppliers, the Company sponsors, participates in, and attends national and regional supplier diversity events, including supplier fairs, conferences, and capacity-building events, and business opportunity fairs, panels, and awards ceremonies. The Company continues to pursue diversity objectives in its purchase of professional services, including its ninth consecutive year of arranging credit facilities with 10 minority-owned banks, and increasing its spend in the Inclusion Initiative, a coalition of companies dedicated to purchasing legal services from minority and women-owned law firms. As a result of these efforts, the Company's diverse supplier spend during 2012 approached \$1 billion.

To better identify the minority-owned business with which it works, the Company has implemented a new and more robust web-based database and registration site for diverse suppliers interested in doing business with the Company and has assembled a consolidated list of diverse-owned suppliers across multiple industries and geographical locations. As a result of these efforts, Comcast and NBCUniversal at year-end 2012 had more than 2000 diverse vendors registered on their new websites.

#### **D. Programming**

The Company is committed to delivering programming that reflects the diverse interests of its customers across all platforms, including linear channels, VOD, and Online. As described in the *First Annual Report*, Comcast and NBCUniversal made significant progress toward meeting virtually all of their diversity programming commitments within the first year following the Transaction, including the initial implementation of the planned distribution of four new minority-owned or operated diverse networks (ASPiRE, Baby First Americas, El Rey, and REVOLT). In 2012, Comcast Cable began distributing ASPiRE, which is now available in seven million homes across 16 of the top 25 African American markets in Comcast's footprint; and Baby First Americas, a Hispanic-focused, English-language channel being distributed in 19 Comcast markets.

The Company continues to strengthen and enrich its offering of diverse programming choices, expanding the distribution of diverse networks to millions of homes<sup>63</sup>, and featuring hundreds of VOD and Online choices geared toward African American<sup>64</sup>, Asian American<sup>65</sup>, and Hispanic audiences.<sup>66</sup> In addition, the Company is expanding its Online resources by launching first-of-their-kind Internet destinations for exploring diverse content.<sup>67</sup>

---

<sup>63</sup> See, e.g. S. Donohue, *Aspire debuts in 7 million Comcast and Time Warner Cable Homes*, FierceCable.com (Jun. 28, 2012), <http://www.fiercecable.com/story/aspire-debuts-7-million-comcast-and-time-warner-cable-homes/2012-06-28>; MNET is Now Available for Comcast Subscribers in DC and Philadelphia, 24-7Kpop.com (Jul. 12, 2012), <http://24-7kpop.com/2012/07/12/mnet-is-now-available-for-comcast-subscribers-in-dc-and-philadelphia/>; Press Release, Crossings TV and Comcast Announce Expanded Carriage on Xfinity TV (Dec. 20, 2012), <http://www.businesswire.com/news/home/20121220005190/en/Crossings-TV-Comcast-Announce-Expanded-Carriage-Xfinity>.

<sup>64</sup> Press Release, Comcast's Xfinity Celebrates Black History Month with Special Entertainment Collection and Online Destination (Jan. 31, 2013), <http://corporate.comcast.com/news-information/news-feed/comcasts-xfinity-celebrates-black-history-month-with-special-entertainment-collection-and-online-destination>.

<sup>65</sup> Press Release, Xfinity TV Celebrates Asian-Pacific American Heritage Month (May 7, 2012), <http://corporate.comcast.com/news-information/news-feed/xfinity-tv-celebrates-asian-pacific-american-heritage-month>.

<sup>66</sup> Press Release, Comcast More than Doubles Spanish-Language On Demand Content on TV and Online with Xfinity Latino (Dec. 17, 2012), <http://corporate.comcast.com/news-information/news-feed/comcast-more-than-doubles-spanish-language-on-demand-content-on-tv-and-online-with-xfinity-latino>.

<sup>67</sup> See, e.g. M. O'Connell, *NBC News Launches Hispanic Website NBC Latino*, The Hollywood Reporter (Jul. 2, 2012), <http://www.hollywoodreporter.com/news/nbc-news-hispanic-website-nbclatino-344138>; C. Warzel, *Telemundo, iVillage Partner to Target Hispanics – Site Will Cater to Underserved Online Latina Market*, AdWeek (Jul. 16, 2012), <http://www.adweek.com/news/technology/telemundo-ivillage-partner-target-hispanics-141925>.

As part of the Company's continuing effort to bolster diversity in front of and behind the camera, NBCUniversal executives meet quarterly with representatives from the NAACP, American Indians in Film and Television, the Asian-Pacific American Coalition, and the National Latino Media Council to discuss the major networks' efforts to increase diversity in casting, image portrayal, content creation, and talent development.

#### **E. Community Investment and Partnerships**

In 2012, the Company again increased its year-over-year support of community-based philanthropic organizations helping underserved and diverse communities. The Company is proud to be making the communities it serves stronger by empowering change makers through technology, innovation, community service, and workforce volunteerism. Few initiatives exemplify this commitment better than Comcast Cares Day. A record-breaking 75,747 Company employees, family members, friends, and community partners turned out April 21, 2012 in one of the nation's largest days of corporate volunteerism. Working hand-in-hand at 660 sites in 39 states and the District of Columbia, Company volunteers contributed their time and energy to clean up parks, make over schools, and landscape playgrounds.

The Company increased its 2012 cash support of minority-led and minority-serving ("MLMS") organizations by more than 10% over 2011 levels. The Company also increased its support of organizations offering fellowship, internship, and scholarship programs that support diverse beneficiaries. Substantial support was also given to promote the good work of its diverse partners through PSAs and other media placements, both locally and nationally.

#### **F. Comcast Opportunity Fund**

In 2012, Comcast Ventures renewed its partnership with DreamIt Ventures, a leading technology accelerator program, to fund a minority entrepreneur accelerator program, formerly called MEAP and renamed DreamIt Access. Participating start-up companies received seed funding and had access to DreamIt Venture's benefits and services, including business talent, legal and accounting services, mentoring, office space, guidance from leading business visionaries, and contacts to reach the next level of development. Through the end of 2012, the DreamIt/Comcast partnership continued to offer impactful opportunities for minority entrepreneurs, including the launch of 15 start-ups with minority founders of African American, Asian American, or Hispanic descent. In addition, Comcast has closed or is near closing several direct ("Phase II") investments in minority-led businesses.

# **NBCUniversal Non-Profit News Partners Progress Report**

*July 30, 2012*

JULY 2012

# NON-PROFIT NEWS PARTNERS PROGRESS REPORT

---

This report summarizes the steps NBCUniversal has taken during the reporting period of **January 28, 2012 to July 28, 2012** to satisfy its obligations under Appendix A, Condition XI.5 (the “Condition”) of the Comcast-NBCUniversal Order.<sup>1</sup>

Per Condition XI.5(f), this report describes the status of the non-profit news partnership arrangements, including a description of the support provided by NBCUniversal to each news partner organization, and information about the news and other programming produced by the arrangement, including the overall quantification by market of local content segments or items generated, as well as their nature (including but not limited to videos, articles, blog posts, and photos), and whether the station’s primary channel, multicast channel(s), website, or other platforms exhibited such segments or items.<sup>2</sup> A copy of this report has been posted on the websites maintained by the NBC-owned television stations.

As the January 2012 progress report described,<sup>3</sup> NBCUniversal satisfied the Condition’s requirement that at least four of the 10 stations in its NBC Owned Television Stations division enter into cooperative arrangements with locally-focused, non-profit news organizations: NBC 4 New York partnered with ProPublica ([www.propublica.org](http://www.propublica.org)); NBC 5 Chicago partnered with *The Chicago Reporter* ([www.chicagoreporter.com](http://www.chicagoreporter.com)); NBC 10 Philadelphia partnered with WHYY ([www.whyy.org](http://www.whyy.org)); and NBC 4 Los Angeles partnered with KPCC Southern California Public Radio ([www.scpr.org](http://www.scpr.org)).

In the first months of these partnerships, the collaborations have resulted in at least seven major investigations, including two with nation-wide implications. These investigations have generated dozens of news reports on the NBC-owned stations and websites, as well as on the partners’ radio stations, publications, and websites, supported by the data, research, and in-depth investigative efforts of their news partners. In fact, a May 2012 article by TVNewsCheck.com reported that the

---

<sup>1</sup> Memorandum, Opinion and Order in the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees, MB Docket No. 10-56 (Jan. 18, 2011), as amended by the Erratum released on March 9, 2011 (“Comcast-NBCUniversal Order”).

<sup>2</sup> Unless otherwise indicated, all of the referenced news stories were telecast on the stations’ primary channels.

<sup>3</sup> See Letter from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, Federal Communications Commission, MB Docket No. 10-56 (Jan. 30, 2012) at Attachment A (“January 2012 Report”).



partnerships have already resulted in “an uptick in investigative reports on local newscasts.”<sup>4</sup>

The NBC-owned stations also added a dedicated investigative reporting section to each of their websites that will feature videos and other resources related to stories produced by the news partnerships, such as investigative reports resulting from the collaboration between several NBC-owned stations and ProPublica.<sup>5</sup>

Beyond this reciprocal investigative and content production support, NBCUniversal also has provided financial assistance to each of its five news partners.

## UPDATE ON THE NEWS PARTNERSHIPS

---



---

### Collaboration and Support

NBC 4 New York and ProPublica conduct regular conference calls to ensure that NBC 4 New York and the other NBC-owned stations always have an up-to-date understanding of the research and investigative data that ProPublica has available. Where NBC 4 New York sees an appropriate opportunity to use the ProPublica investigative data, producers “transform” the data into special investigative segments for NBC 4 New York’s newscasts.

NBCUniversal support for ProPublica includes participation of ProPublica’s investigators during news segments, online references and links to ProPublica to build name recognition and support for the organization, and financial assistance to help support the ongoing mission. ProPublica will also provide the results of its data-based journalism—what it calls “news applications”<sup>6</sup>—to all 10 stations that compose the NBC Owned Television Stations division.

---

<sup>4</sup> See Diana Marsalek, *NBC O&Os, Nonprofits Make News Deal Work*, TVNewsCheck.com, <http://www.tvnewscheck.com/article/59742/nbc-oos-nonprofits-make-news-deal-work> (May 29, 2012).

<sup>5</sup> See, e.g., Press Release: NBCUniversal, NBC Owned Stations Launch New Platforms to Feature Investigative Stories, <http://www.nbcuniversal.presscentre.com/Press-Releases/nbc-owned-stations-launch-new-platforms-to-feature-investigative-stories-2853.aspx> (May 1, 2012).

<sup>6</sup> See ProPublica’s Report to Stakeholders (January-April 2012), available online at [http://s3.amazonaws.com/propublica/assets/about/PP\\_Report\\_to\\_Stakeholders\\_January-April\\_2012.pdf](http://s3.amazonaws.com/propublica/assets/about/PP_Report_to_Stakeholders_January-April_2012.pdf).

## Key Projects

In the last six months, NBC 4 New York has aired stories based on two major joint investigations with ProPublica. The stories also ran on NBC 4 New York's multicast "Nonstop" channel during the 7:00 p.m. newscast on the dates indicated below.

### ■ Federal Stimulus Money

- Based on federal stimulus tracking data collected, sorted and presented in an interactive database developed by ProPublica, NBC 4 New York's "I-Team" (the news department's investigative unit) found more than 200 approved stimulus-funded projects totaling more than \$200 million in New York, New Jersey, and Connecticut are still listed as "not started," despite the fact that many of these projects had been touted as "shovel ready."
- The story, which also featured a ProPublica investigative journalist, aired on February 14, 2012 on NBC 4 New York during the 5:00 pm and 7:00 p.m. newscasts.<sup>7</sup> NBC 4 New York also provided an accompanying online story that included a link to the tracking database on the ProPublica website (<http://projects.propublica.org/recovery/>) for viewers who wish to chart the progress of stimulus projects in their areas.

### ■ Kidney Dialysis Centers

- Based on data collected by ProPublica, NBC 4 New York reported that patients at certain Tri-State area dialysis centers located in low-income areas were less likely to get transplants than patients at other dialysis centers.
- The story aired on NBC 4 New York on April 26, 2012 at 11:00 p.m.<sup>8</sup> and received at least one full day of on-air promotion. The results of the investigation were also posted on the NBC 4 New York website, where the story remained popular for several days.<sup>9</sup> The data collected by ProPublica were shared with other NBC-owned stations and resulted in locally focused newscasts and companion website articles in those markets.<sup>10</sup>

---

<sup>7</sup> See Tom Burke and Chris Glorioso, *I-Team: Millions of Stimulus Dollars Still Unused in Tri-State*, <http://www.nbcnewyork.com/investigations/I-Team-Millions-of-Stimulus-Dollars-Still-Unused-139315393.html> (Feb. 14, 2012).

<sup>8</sup> See Chris Glorioso, *I-Team: Patients at Some Dialysis Centers Get Fewer Kidney Transplants*, <http://www.nbcnewyork.com/news/local/Kidney-Transplant-Disparity-Dialysis-ProPublica-I-Team-149269465.html> (Apr. 26, 2012).

<sup>9</sup> *Id.*

<sup>10</sup> See, e.g., Nesita Kwan, *Dialysis Danger: Why Location Matters for Some Kidney Patients*, <http://www.nbcchicago.com/investigations/Dialysis-Danger-Why-Location-Matters-for-Some-Kidney-Patients-148017845.html#ixzz20Eqa9xRH> (Mar. 18, 2012); Tisha Thompson, *Dialysis Center Ratings*, <http://www.nbcwashington.com/investigations/Dialysis-Center-Ratings-147820675.html> (Apr. 27, 2012).

## THE CHICAGO REPORTER



### Collaboration and Support

The NBC 5 Chicago news team holds regular meetings with *The Chicago Reporter's* staff with the goal of increasing the coordination between the two news organizations. One of the primary goals is to synchronize the airdates of stories airing on NBC 5 Chicago to coincide with *The Chicago Reporter's* publication dates for companion or related pieces. This collaborative approach helps each party benefit from the public interest in the stories they are producing and capitalize on the ability to reach consumers on multiple platforms. NBCChicago.com editors also provide a link-back to the associated *The Chicago Reporter* publication for each piece that was produced in partnership. In addition, NBCChicago.com provides social media support by posting each partnership-generated story on NBC 5's Twitter and Facebook feeds. *The Chicago Reporter* also provides a reporter as a resource for NBC 5 Chicago on-air stories.

### Key Projects

The partnership produced a number of investigative reports that have aired on NBC 5 Chicago and on Telemundo Chicago:

#### ▪ Financial Practices of Rev. Leon Finney and Entry House

- The first collaboration between NBC 5 Chicago and *The Chicago Reporter* focused on Dr. Leon Finney, Jr., a high-profile Chicago minister and community organizer who received hundreds of millions of dollars in federal grants to provide services to people on Chicago's South Side. A report in *The Chicago Reporter's* January-February 2012 issue questioned how Dr. Finney and his organizations spent much of this money.
- NBC 5 Chicago's "Unit 5" investigative team expanded on *The Chicago Reporter's* investigation by profiling one of Dr. Finney's organizations — a drug and alcohol rehabilitation center called Entry House. Entry House had received tens of millions of dollars in government grants, yet failed to pay its employees on time. Following these investigations, the Illinois Department of Human Services and the Office of the Illinois Attorney General began looking into the financial practices of Entry House and Dr. Finney's organizations.
- The initial story aired on January 19, 2012 during NBC 5 Chicago's 10:00 p.m. newscast.<sup>11</sup> A follow-up story aired on March 2, 2012 on the 6:00 p.m. edition

<sup>11</sup> See Katy Symser, *State Agencies Looking Into Entry House's Books*, <http://www.nbcchicago.com/news/local/chicago-reporter-unit-5-woodlawn-corporation-entry-house-leon-finney-jr-137734013.html> (Jan. 19, 2012).

of the NBC 5 Chicago news.<sup>12</sup> The story re-aired on the 10:00 p.m. news on March 2, 2012 and the next day's early news shows. Both the original and follow-up stories were posted on the NBC 5 Chicago website.

▪ **Wage Theft**

- Following up on a story in the March-April 2012 issue of *The Chicago Reporter*, Unit 5 profiled a low-wage worker who had tried unsuccessfully to recoup thousands of dollars in back pay from his employer by filing a claim before the Illinois Department of Labor ("IDOL"). *The Chicago Reporter* analyzed hundreds of IDOL claims and found that the agency failed to recover the majority of the unpaid earnings owed to low-wage workers.
- Unit 5's report aired on March 8, 2012 during the 5:00 p.m. edition of NBC 5 Chicago's newscast.<sup>13</sup> An abridged version of the story aired on the 10:00 p.m. news on the same day.
- Because many of the workers profiled in *The Chicago Reporter's* story were Latino, NBC 5 Chicago referred the profiled worker to Telemundo Chicago, an NBCUniversal-owned television station, which was then able to do a separate interview with the worker for a companion piece. Telemundo Chicago aired its story on March 8, 2012 on the 5:00 p.m. and 10:00 p.m. newscasts.<sup>14</sup>

▪ **Police Brutality**

- In conjunction with the May-June 2012 issue of *The Chicago Reporter*, NBC 5 Chicago aired a story on Chicago policemen who remain on the force after having been repeatedly accused of brutality and misconduct. Unit 5 profiled a man who had allegedly been beaten by one of these policemen.
- The NBC 5 Chicago story aired on May 1, 2012 on the 10:00 p.m. newscast, the same day that *The Chicago Reporter's* issue first hit the stand. NBC 5 Chicago's website posted video of the story, along with a complete print version of the story and several original documents featured in the report, including court documents, police complaints, and direct links to the various databases maintained by the City of Chicago.<sup>15</sup>

---

<sup>12</sup> See NBC 5 Chicago, *Employees Say "Entry House" Closure is Retribution*, <http://www.nbcchicago.com/news/local/chicago-reporter-unit-5-woodlawn-corporation-entry-house-leon-finney-jr-141271103.html> (Mar. 2, 2012).

<sup>13</sup> See Lisa Capitanini and Marion Brooks, *Workers Say Company Shut Doors, Never Paid Them*, <http://www.nbcchicago.com/investigations/unit-5-chicago-reporter-wage-theft-142001553.html> (Mar. 8, 2012).

<sup>14</sup> See Telemundo Chicago, Video: *Esperando en vano*, <http://www.telemundochicago.com/content-center/Esperando-en-vano-141964573.html> (Mar. 8, 2012).

<sup>15</sup> See Rob Stafford and Katy Smyser, *Millions Paid to Settle Police Misconduct Suits*, <http://www.nbcchicago.com/investigations/unit-5-chicago-reporter-chicago-police-ipra--149771045.html> (May 1, 2012).



---

### Collaboration and Support

NBC 10 Philadelphia and WHYY have developed a strong relationship in the distribution of online news content. Each day, NBC 10 Philadelphia and WHYY share a list of stories, and NBCPhiladelphia.com generally adds links on its website to at least three articles originally posted on NewsWorks.org (NBC 10 Philadelphia is the top referrer of web traffic to NewsWorks.org). WHYY provides NBC 10 Philadelphia with local political commentary, local arts and cultural coverage; in exchange, NBC 10 Philadelphia provides daily weather content to WHYY's NewsWorks.org website. In addition, NBC 10 Philadelphia posts a WHYY weekly segment (FLICKS by Patrick Stoner) on its site.

### Key Projects

The partnership has also resulted in broadcast segments described below. More in-depth interviews related to these segments ran on the NBC 10 Philadelphia multicast channel, "Philadelphia Nonstop".

- **Training Sled Dogs in the Sands of the New Jersey Pine Barrens**

- In a report that aired on February 3, 2012 on NBC 10 Philadelphia, WHYY reporter Peter Crimmins shared his report on sled dogs training on sand in the Pine Barrens of New Jersey.<sup>16</sup> The story was also available on NBC 10 Philadelphia's website, and on the NewsWorks.org website.<sup>17</sup>

- **New Jersey Wineries**

- On March 14, 2012, NBC 10 Philadelphia aired a report based on an interview with WHYY reporter Jen Howard on the New Jersey wine making industry and the results of a recent taste test on New Jersey wines.<sup>18</sup> The story was also available on NBCPhiladelphia.com and on the NewsWorks.org website.<sup>19</sup>

---

<sup>16</sup> See NBC 10 Philadelphia, Video: *South Jersey Sled Dogs*, <http://www.nbcphiladelphia.com/video/#!/on-air/as-seen-on/South-Jersey-Sled-Dogs/138647844> (Feb. 2, 2012).

<sup>17</sup> See Video: Peter Crimmins, *Call of the Mild: Sled Dogs Mush through the Sands of New Jersey*, <http://www.newsworks.org/index.php/also-on-nwt/item/33422-01pcdogs> (Feb. 1, 2012).

<sup>18</sup> See Video: *New Jersey Wine*, <http://www.nbcphiladelphia.com/video/#!/the-scene/food-drink/New-Jersey-Wine/142707875> (Mar. 14, 2012).

<sup>19</sup> See Jen Howard, *The Judgment Of Rittenhouse: A Blind Tasting Puts N.J. Wineries to the Test*, <http://www.newsworks.org/index.php/new-jersey-more/item/35074-the-judgment-of-rittenhouse-a-blind-tasting-puts-nj-wineries-to-the-test-> (Mar. 14, 2012).





---

### Collaboration and Support

KPCC and NBC 4 Los Angeles (“LA”) have forged a successful partnership by collaborating on stories where KPCC provides in-depth research while NBC 4 LA gathers sound and other elements to create stories that blend the strength of the two news outlets. The digital teams at both stations regularly interact to optimize the quality and selection of multimedia and other interactive content posted on their respective websites. News executives from both organizations currently are discussing plans for Olympics coverage and new investigations for the rest of 2012.

NBCUniversal supported KPCC by providing producer and talent resources, material acquired in the field, and promotional benefit on both broadcast and web.

### Key Projects

This partnership between KPCC and NBC 4 LA has led to a variety of important news collaborations, some of which are discussed below:

#### ▪ Los Angeles Schools Sexual Abuse

- A breaking story regarding a local school teacher arrested on charges of sexually abusing students shaped the beginning of the NBC 4 LA/KPCC partnership. NBC 4 LA and KPCC quickly dedicated resources to look at all aspects of what became a major crisis for the Los Angeles Unified School District (LAUSD), the second largest school district in the country. The investigation unearthed a document that showed that the school district paid the alleged abuser a large amount to agree to retire, including full pension and health benefits.
- NBC 4 LA and KPCC broke the story on their respective stations and websites, leading to calls from California legislators to change state law to make it easier to fire disgraced teachers and make them forfeit pension and health benefits.
- The story broke on NBC 4 LA on February 9, 2012.<sup>20</sup> Web versions of the stories were posted simultaneously on NBCLosAngeles.com and the KPCC website.<sup>21</sup> In

---

<sup>20</sup> See Joel Grover and Chris Henao, *LAUSD Paid Miramonte Teacher to Resign*, <http://www.nbclosangeles.com/news/LAUSD-Miramonte-Elementary-School-Mark-Berndt-139058999.html> (Feb. 9, 2012).

<sup>21</sup> See Tami Abdollah and Shirley Jahad, *LAUSD Paid \$40,000 to Settle Case with Miramonte Teacher Mark Bernd*, <http://www.scpr.org/blogs/education/2012/02/09/4616/laUSD-paid-40000-settle-case-miramonte-teacher-acc/> (Feb 9, 2012).

the days and weeks following this story, NBC 4 LA and KPCC ran at least 10 follow up reports.<sup>22</sup> NBC 4 and KPCC continue to cover the story, and follow ups have run as recently as June 28, 2012.<sup>23</sup>

#### ■ Los Angeles Fire Department Response Time

- NBC 4 LA and KPCC worked together on an exclusive investigation into Los Angeles Fire Department response times. The story broke on February 29, 2012 during the NBC 4 LA 11:00 p.m. newscast<sup>24</sup> and the next day on KPCC's talk shows.<sup>25</sup> Both news organizations continued to follow up on the story, and coverage continued on NBC 4 LA through May 18, 2012.<sup>26</sup>

#### ■ Pope Benedict's Visit to León, Mexico

- NBC 4 LA shared with KPCC its March 2012 coverage of Pope Benedict's visit to the Mexican city of León. The coverage of the Pope's visit first aired on NBC 4 LA on March 22, at 5:00 p.m. and ran for several days<sup>27</sup> and was first carried by KPCC on the same dates.<sup>28</sup>

---

<sup>22</sup> See, e.g., *EXCLUSIVE: LAUSD Paid Miramonte Teacher to Resign*, <http://www.nbclosangeles.com/video/#!/news/top-stories/video-override/EXCLUSIVE--LAUSD-Paid-Miramonte-Teacher-to-Resign/139070999> (Feb. 10, 2012).

<sup>23</sup> See Kim Baldonado and Bill French, *LAUSD Superintendent "Disheartened" After SB 1530 Dies in Committee*, <http://www.nbclosangeles.com/news/local/Legislature-Kills-Expedited-Teacher-Review-Bill-160641755.html> (Jun. 28, 2012).

<sup>24</sup> See Robert Kovacic and John Simerson, *LAFD Deployment Plan Under Fire*, <http://www.nbclosangeles.com/news/local/LAFD-Deployment-Plan-Under-Fire-140979723.html> (Mar. 4, 2012).

<sup>25</sup> See *LA Fire Department Response Time Lags After Budget Strain*, <http://www.scpr.org/blogs/news/2012/03/01/4900/lafds-response-time-lags-after-cuts-nbc-la-reports/> (Mar. 1, 2012).

<sup>26</sup> See Gordon Tokumatsu and Kristopher Li, *Video: Audit: Up to 20 Seconds Added to Emergency Response Times*, <http://www.nbclosangeles.com/video/#!/on-air/as-seen-on/Audit-Up-to-20-Seconds-Added-to-Emergency-Response-Times/152114345> (May 18, 2012).

<sup>27</sup> See *Video: Leon Prepares for the Pope*, <http://www.nbclosangeles.com/video/#!/news/top-stories/video-override/Leon-Prepares-for-the-Pope/144022766> (Mar. 23, 2012); Janet Kwak and Bobbie Eng, *Video: LA Catholics Follow Pope's Trip to Mexico*, <http://www.nbclosangeles.com/video/#!/on-air/as-seen-on/LA-Catholics-Follow-Popes-Trip-to-Mexico/144112836> (Mar. 24, 2012); John Cádiz Klemack, Edwin Calderon, and Sergio LeLevier, *Video: Pope Benedict Sends Message of Peace to Children of Mexico*, <http://www.nbclosangeles.com/video/#!/on-air/as-seen-on/Pope-Benedict-Sends-Message-of-Peace-to-Children-of-Mexico/144126585> (Mar. 24, 2012).

<sup>28</sup> See Erika Aguilar, *Mexico Gets a Visit from a Pope for 1st Time in a Decade*, <http://www.scpr.org/news/2012/03/22/31757/pope-benedict-xvi-visit-mexico-three-days/> (Mar. 22, 2012); Jason Beaubien, *Pope Expected to Address Drug Violence in Mexico*, <http://www.scpr.org/news/2012/03/23/31767/pope-expected-to-address-drug-violence-in-mexico/> (Mar. 23, 2012); Erika Aguilar, *Pope Benedict XVI Visits Mexico, Denounces Drug-Related Violence*, <http://www.scpr.org/news/2012/03/23/31780/pope-benedict-xvi-visits-mexico-denounces-drug-rel/> (Mar. 23, 2012).

# **NBCUniversal Non-Profit News Partners Progress Report**

*January 28, 2013*

**Transaction Compliance Report**

MB Docket No. 10-56

**NBCUniversal Non-Profit News Partnerships**

for the period of July 28, 2012 through January 28, 2013



To the Federal Communications Commission:

This report provides the information required by Condition XI.5.f of Appendix A (the "Condition") to the *Transaction Order*<sup>1</sup> regarding NBCUniversal's non-profit news partnership arrangements.

**Table of Contents**

Background.....	2
Update on the News Partnerships.....	3
NBC 4 New York / WNBC and ProPublica .....	3
NBC 5 Chicago / WMAQ and <i>The Chicago Reporter</i> .....	4
NBC 10 Philadelphia / WCAU and WHYY.....	5
NBC 4 Southern California / KNBC and KPCC .....	6

**Online Copy**

A copy of this report is available on the websites maintained by each of the stations that comprise the NBC Owned Television Stations division (e.g. <http://www.nbcwashington.com>).

<sup>1</sup> *In the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees*, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (as amended by an Erratum released on March 9, 2011) (*Transaction Order*).

## Background

As required by the Condition, four of the 10 stations in NBCUniversal's NBC Owned Television Stations division have established and maintain cooperative arrangements with locally-focused, non-profit news organizations. The stations and their news partners are: NBC 4 New York / WNBC and ProPublica; NBC 5 Chicago / WMAQ and *The Chicago Reporter*; NBC 10 Philadelphia / WCAU and WHYY; and NBC 4 Southern California / KNBC and KPCC – Southern California Public Radio.

These continuing agreements, plus the ongoing relationship between NBC 7 San Diego / KNSD and the Voice of San Diego, means that half of the stations in the NBC Owned Television Stations division have news partnership agreements in place.

In addition, just this month the station in Miami-Ft. Lauderdale, NBC 6 South Florida / WTVJ, announced a partnership with the non-profit Florida Center for Investigative Reporting (FCIR) to enhance the station's local investigative reporting capabilities. While not as established as the other partnerships detailed in this report, the new partnership between FCIR and Team 6 Investigators (the station's new consumer and investigative unit) will include co-developing stories, conducting research and investigations, sharing content, and cross-linking websites.<sup>2</sup>

Collaborations between the stations and the non-profit partners –which involve sharing data, research, and in-depth investigative resources– have resulted in at least a dozen investigations, and have generated dozens of on-air and online news reports for the stations, as well as on the partners' radio stations and websites.

Beyond this reciprocal investigative and content production support, NBCUniversal also provided financial assistance to each of its news partners.

---

<sup>2</sup> See NBC 6 South Florida Partners with Florida Center for Investigative Reporting, <http://www.nbcmiami.com/on-air/about-us/NBC-6-South-Florida-Partners-With-Florida-Center-For-Investigative-Reporting-187183561.html> (Jan. 16, 2013); NBC 6 South Florida Teams up with FCIR, <http://fcir.org/2013/01/14/nbc-6-south-florida-teams-up-with-fcir/> (Jan. 14, 2013).



## **NBC 4 New York / WNBC and ProPublica**

NBC 4 New York and ProPublica conduct regular conference calls to ensure that NBC 4 New York and the other stations in the NBC Owned Television Stations division are aware of the most recent research and investigative data that ProPublica has available. Where NBC 4 New York sees an appropriate opportunity to use the ProPublica investigative data, producers work with ProPublica to adapt the data into investigative segments for NBC 4 New York's newscasts. Additionally, the NBC 4 New York news team takes the lead in coordinating conference calls and group e-mails between ProPublica and news teams at the other stations in the NBC Owned Television Stations division. During these conference calls, the teams discuss ways to enhance and localize ProPublica's featured investigations and plan potential stories for future ratings periods or high-viewer volume times.

NBCUniversal support for ProPublica includes the participation of ProPublica's investigators during news segments, online references and links to ProPublica to build name recognition and support for the organization, and financial assistance to help support the organization's ongoing mission. For its part, ProPublica provides the results of its data-based journalism to all 10 stations that comprise the NBC Owned Television Stations division, often prior to these investigations becoming publicly known.

### **Collaboration in Practice**

In September 2012, NBC 4 New York aired a story utilizing ProPublica's database of nursing home deficiencies and fines for the New York/New Jersey area.<sup>3</sup> Using the data, NBC 4 New York's i-Team was able to identify two significant problems in the local nursing home industry: rodent infestation and patients wandering off. The i-Team expanded the investigation and interviewed a family who lost a loved one after he had wandered from a nursing home facility and froze to death. The segment directed viewers to the ProPublica online database and explained how the database worked, allowing viewers to conduct research of violations at nursing homes in the database.

The nursing home story aired on NBC 4 New York's 5:00 PM newscast on September 13, 2012. At the same time, an Internet-version of the story was published on NBCNewYork.com<sup>4</sup>, where it quickly became one of the most watched and shared stories of that week. The article on the NBCNewYork.com includes a link to the ProPublica database.

A number of the other stations in the NBC Owned Television Stations division, including stations that do not have a non-profit news partner, used ProPublica's nursing home application to support their own local stories.<sup>5</sup>

---

<sup>3</sup> See <http://projects.propublica.org/nursing-homes/>.

<sup>4</sup> See C. Glorioso and T. Burke, *i-Team: Nursing Home Database Uncovers a Catalog of Horrors*, <http://www.nbcnewyork.com/news/local/nursing-home-database-deaths-wandering-169689356.html> (Sep. 13, 2012).

<sup>5</sup> See, e.g. stories by NBC 7 San Diego: P. Krueger, *New Tools Aid in Nursing Home Selection*, <http://www.nbcsandiego.com/news/health/New-Tools-Aid-in-Nursing-Home-Selection-168816966.html> (Sep. 7, 2012); and NBC Connecticut: *New Tool Reveals Nursing Home Violations*, <http://www.nbcconnecticut.com/investigations/New-Tool-Reveals-Nursing-Home-Violations-171053221.html> (Sep. 24, 2012).

## **NBC 5 Chicago / WMAQ and The Chicago Reporter**

The NBC 5 Chicago news team holds regular meetings with *The Reporter's* staff with the goal of increasing the coordination between the two news organizations. One of the primary goals is to synchronize the airdates of stories airing on NBC 5 Chicago with *The Reporter's* publication dates for companion or related pieces. This collaborative approach helps each party benefit from the public's interest in the stories and capitalizes on their ability to reach consumers on multiple platforms. *The Reporter* also provides one of its reporters as a resource for NBC 5 Chicago on-air stories. In turn, NBCChicago.com editors provide link-backs to *The Reporter's* publication of each piece that was produced in partnership, including link-backs in posts on NBC 5 Chicago's Twitter and Facebook feeds.

NBC 5 Chicago also collaborates with the Better Government Association (BGA), another long-established non-profit watchdog that investigates allegations of waste, fraud, and corruption in local and state government.

### **Collaboration in Practice**

*Illinois Department of Children and Family Services.* For its September-October 2012 cover story, *The Reporter* investigated the homicides of children who were or had been under the care of the Illinois Department of Children and Family Services (DCFS). *The Reporter* conducted an in-depth investigation into the annual reports issued by DCFS's Inspector General, and gathered statistics on percentages of children who had been killed by family members where DCFS caseworkers either had some recent involvement with the family, or where the caseworkers had found no evidence of familial harm or danger prior to the child's death.<sup>6</sup> NBCChicago.com posted a link to the report on *The Reporter's* website.<sup>7</sup> The story was later picked up by the Associated Press.

*Human Trafficking and Prostitution.* A feature in *The Reporter's* November-December 2012 issue, investigating alleged disparities between the prosecution rate of prostitutes and their clients in the Cook County criminal justice system, complemented a long-time interest of NBC 5 Chicago investigative reporter Marion Brooks. Ms. Brooks is working with *The Reporter's* findings for potential inclusion in a continuing series of NBC 5 Chicago reports on human trafficking.

*Corruption in the Cook County Housing Authority.* NBC 5 Chicago collaborated with the BGA on a story profiling real estate mogul Elzie Higginbottom. The story aired on Sunday, July 1, 2012 on the 10:00 PM news, and was featured on NBCChicago.com with a link to the BGA's website and its coordinated investigation.<sup>8</sup>

---

<sup>6</sup> See K. Everson, *Fostering Victims of Violence*, <http://www.chicagoreporter.com/news/2012/09/fostering-victims-violence> (Sep. 4, 2012).

<sup>7</sup> See Report: 200 DCFS Kids Killed over 11 Years, <http://www.nbcchicago.com/news/Report-200-DCFS-Kids-Killed-Over-11-Years-170890111.html> (Sep. 23, 2012).

<sup>8</sup> See D. Johnson, *Conflict of Interest in Real Estate Mogul's \$3 Million Deal?* <http://www.nbcchicago.com/investigations/Unit-5-BGA-Investigates-Real-Estate-Mogul-Elzie-Higginbottom-3-Million-Deal-161010715.html> (Jul. 3, 2012).

### **NBC 10 Philadelphia / WCAU and WHY Y**

NBC 10 Philadelphia and WHY Y have focused their partnership on the exchange of online news and local information content between NBCPhiladelphia.com and WHY Y's website, NewsWorks.org. Each day, NBCPhiladelphia.com posts WHY Y stories in the local news section of NBCPhiladelphia.com, "The Scene." WHY Y also provides NBCPhiladelphia.com with local political commentary, local arts, and cultural coverage, including a popular weekly movie review segment, FLICKS by Patrick Stoner. NBC 10 Philadelphia reciprocates by providing daily weather content to NewsWorks.org. In fact, this extensive cross-linking has made NBCPhiladelphia.com the top referrer of web traffic to NewsWorks.org.

### **Collaboration in Practice**

NBC 10 Philadelphia collaborated with WHY Y on coverage of the November 2012 election, including content sharing and technical coordination. WHY Y provided political columns for use by NBCPhiladelphia.com, and the station provided WHY Y with six "cut-ins" during the 8:00-11:00 PM block of its election night coverage. NBC 10 Philadelphia also featured NewsWorks.org's "Stakes", an in-depth series focused on a personal stakes that the profiled families had in the results of the election.<sup>9</sup>

---

<sup>9</sup> See e.g., E. Walker, *What are 'the stakes' for you in the 2012 election?* <http://www.newsworks.org/index.php/speak-easy-archive/item/45362-what-are-the-stakes-for-you-in-the-2012-election> (Oct. 9, 2012).

## **NBC 4 Southern California / KNBC and KPCC**

KPCC – Southern California Public Radio and NBC 4 Southern California have forged a successful partnership by collaborating on stories where KPCC provides in-depth research while NBC 4 Southern California gathers sound and other production elements. This teamwork has allowed the creation of stories that blend the strength of the two news outlets and leverage NBC's technical capabilities. In addition, the digital teams at both stations regularly interact to optimize the quality and selection of multimedia and other interactive content posted on their respective websites.

NBCUniversal supported KPCC through producer and talent resources, material acquired in the field, and promotion on both broadcast and online.

### **Collaboration in Practice**

*Sepulveda Pass Brush Fire.* NBC 4 Southern California reporter Angie Crouch did a live report on a brushfire that erupted in the Sepulveda Pass in September 2012, as part of both NBC 4 Southern California and KPCC's breaking news coverage.<sup>10</sup> Ms. Crouch was in a unique position to report on the progress of the fire that caused residential evacuations, and the closing of the Getty Center.

*Discrimination in the National Guard.* NBC 4 Southern California and sister station NBC Bay Area conducted a joint investigation into sexual harassment and racism in the California National Guard. In advance of breaking the story, NBC 4 Southern California provided recorded interviews for KPCC to broadcast and also post on its website. In addition, NBC 4 Southern California reporter Joel Grover appeared live on KPCC's morning show to discuss and promote the report that would premiere on that day's 11:00 PM television newscast.<sup>11</sup>

<sup>10</sup> See O. Elbright, et al., *Sepulveda Brush Fire Burns 70 Acres*, <http://www.nbctvlosangeles.com/news/local/Sepulveda-Pass-Brush-Fire-169841396.html> (Sep. 16, 2012); J. Kandel and M. Palmer, *Brush Fire in Rustic Canyon Grows to 30+ Acres in 105 Degree Heat*, <http://www.nbctvlosangeles.com/news/local/Sepulveda-Fire-Update-169892056.html> (Sep. 16, 2012); KPCC Staff, *Brush Fire in Sepulveda Pass 40 Percent Contained; Getty Center Temporarily Closed*, <http://www.scpr.org/blogs/news/2012/09/14/9990/brush-fire-sepulveda-pass-getty-center-temporarily/> (Sep. 14, 2012).

<sup>11</sup> See J. Glover, et al., *Whistleblowers Expose Hidden Culture of Alleged Racism, Sexual Harassment in California National Guard*, <http://www.nbctvlosangeles.com/news/local/Whistleblowers-Expose-California-National-Guard-Sexual-Harassment-Racism-Investigation-NBC4-Joel-Grover--179338741.html> (Nov. 15, 2012); J. Glover, et al., *Federal Investigation to Probe Claims of Alleged Racism, Sexual Harassment in California National Guard*, <http://www.nbctvlosangeles.com/news/local/Investigation-Sparked-California-National-Guard-Sexual-Harassment-Racism-Investigation-NBC4-Joel-Grover-179755991.html> (Nov. 16, 2012); A. Cohen and A. Martinez, *Investigation looks into allegations of harassment, racism in the CA National Guard*, <http://www.scpr.org/programs/take-two/2012/11/14/29283/investigation-looks-into-allegations-of-harassment/> (Nov. 14, 2012).

# **Comcast PEG Pilot Program Progress Report**

*July 30, 2012*



# PEG Pilot Program Status Report

*For the period of January 28, 2012 through July 28, 2012*

This report describes the progress of Comcast's pilot program to host Public, Educational, and Governmental ("PEG") content on its Video On Demand ("VOD") and On Demand Online ("Online") platforms, consistent with the commitments and benchmarks set forth in Condition XIV.4 of Appendix A (the "Condition") to the Comcast-NBCUniversal Order.<sup>1</sup> Comcast branded this initiative **Project Open Voice** ([www.projectopenvoice.com](http://www.projectopenvoice.com)).

Previous progress reports<sup>2</sup> described how Comcast met each of the following benchmarks:

Benchmark	Deadline	Result
<b>Announce the final location of the five pilot communities</b>	Feb. 28, 2011 <sup>3</sup>	Announced the selection of Fresno, CA; Hialeah, FL; Houston, TX; Peterborough, NH; and Philadelphia, PA as the five trial communities. <sup>4</sup>
<b>Initiate VOD placement of available PEG programming in each PEG pilot community</b>	Oct. 28, 2011 <sup>5</sup>	Created VOD folders accessible to Comcast video customers in each of the pilot communities, and uploaded content submitted by PEG programmers selected by each community to participate in the trial.

<sup>1</sup> *In the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees*, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (as amended by an Erratum released on March 9, 2011).

<sup>2</sup> See Letters from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, Federal Communications Commission, MB Docket No. 10-56, dated July 28, 2011 and January 30, 2012, respectively. Copies of the reports are also available at [www.comcast.com/PEG](http://www.comcast.com/PEG).

<sup>3</sup> See Condition XIV.4.c.i ("within 30 days of the Closing of the Transaction").

<sup>4</sup> The sixth site —Medford, Massachusetts— participates as a "trial" market that is used by Comcast to develop and test the PEG pilot platforms before rolling them out in the other communities.

<sup>5</sup> See Condition XIV.4.c.ii ("within nine months of the Closing of the Transaction").



Benchmark	Deadline	Result
<b>Initiate Online placement of available PEG programming in each PEG pilot community through existing or newly created online platforms</b>	Jan. 28, 2012 <sup>6</sup>	Designed, built, and launched custom websites to act as video streaming portals for PEG and other local content.

Updates on the progress of the platform launch benchmarks are provided in Sections I and II, below.

Comcast is also pleased to report that it has initiated marketing support of the VOD and Online platforms in each community, satisfying the requirement to do so within 18 months of the closing of the Comcast-NBCUniversal transaction (i.e., by July 28, 2012).<sup>7</sup> As described in Section III, below, Comcast has been working in tandem with each pilot community to promote Project Open Voice.

## I. Progress of the PEG VOD Platform

Dedicated Project Open Voice VOD content folders are up and running on the Comcast cable systems serving each of the pilot communities. These folders contain the PEG content selected by the communities for placement on the VOD platform. Each community's VOD content can be refreshed as often as the community or its designated PEG programmers want.<sup>8</sup>

Comcast also created a consistent VOD folder path that is designed to ensure that consumers in the pilot communities can readily find and access the PEG VOD content:

**Get Local > [Name of the Project Open Voice Brand Chosen by Each Community] > [Content Folder Name] > [Content Name]**

Local Comcast VOD teams continue to work closely with designated PEG content managers to support each city's VOD folder management needs. For example, Comcast assists the city's designated PEG programmers in making sure each video is in a format compatible with Comcast's VOD platform, and once the content files are in the correct format, Comcast uploads the content to the local VOD storage facility.

The communities have made good use of the local VOD folders since the October 2011 launch. As part of the promotional ramp-up for the pilot platforms, Comcast is working with the communities to reorganize their VOD folders to better match the names of content categories and

<sup>6</sup> See Condition XIV.4.c.iii ("within one year of the Closing of the Transaction").

<sup>7</sup> See Condition XIV.4.c.iv ("within 18 months of the Closing of the Transaction").

<sup>8</sup> See January 2012 progress report, *supra* n. 2, at 3.

providers seen on the pilot websites. This approach better aligns VOD with the website brands and allows Comcast video subscribers in the pilot communities to view the most compelling content from the websites on the VOD platform. Additionally, this alignment will allow Comcast to market and promote Project Open Voice as a multi-platform destination for PEG and hyper-local content.

## II. Progress of the PEG Online Platform

As reported in the January 2012 progress report,<sup>9</sup> Comcast successfully launched the beta versions of the pilot websites to distribute PEG and other local content on the Internet. Launched as beta versions in January 2012, development and beta testing of all websites is now complete.

Each website has a unique look and feel in accordance with the brand and theme chosen by the community.<sup>10</sup>



The sites act as portals to a mix of traditional PEG material and other hyper-local content selected by the individual partner community. Videos are organized by “channels” created by the community or its authorized content partners. Though the content and layout varies per website, all sites feature community content like announcements, event calendars, and tourism information.

Comcast designed the platforms to make it very easy for a broad array of content providers to register to provide their material for the platform. Each content partner receives access to a video management “dashboard” that allows the partner to upload, maintain, and even

<sup>9</sup> See *id.* at 3-4.

<sup>10</sup> A website was also created for the Medford trial market ([www.madeinmedford.com](http://www.madeinmedford.com)).

promote its contributions to the site. Content partner registration is free and only requires the completion of an online application form<sup>11</sup> and adherence to the Content Partner Guidelines.<sup>12</sup> Access to the content partner dashboard is granted as soon as the third-party website administrator approves the content partner's application. This easy mechanism should produce an even broader array and larger amount of content as word spreads about the benefits of the platform.

As the statistics in Section III (below) demonstrate, the online platforms have been very popular and the launch has been a clear success. As of July 15, 2012, 12 linear PEG content providers and 186 other content partners in the pilot communities have created streaming channels for PEG or other hyper-local content on the websites. These content providers have collectively uploaded more than 1,145 streaming videos to the Project Open Voice websites since the January 2012 beta test launch.

### **Site Content Highlights**

Below are some content highlights from each of the pilot communities' websites:

#### **Gotta Love Fresno**

Gotta Love Fresno is the leading platform for Swede Fest (<http://www.gottalovefresno.com/swedefest/>), a local festival dedicated to low-budget movie remaking. In addition, Fresno Mayor Ashley Swarengin suggested that the Fresno website include a Visiting Fresno section (<http://www.gottalovefresno.com/visitfresno/>) for tourism. This idea caught on, so the Project Open Voice team included a tourism section on the other pilot community websites.

#### **¡Yo Soy! Hialeah**

The City of Hialeah is driving the strategy behind getting the word out about Yo Soy Hialeah. The City is currently launching a youth initiative to empower young residents to put their stories to video. Yo Soy Hialeah will be the official platform for the city in this effort.

#### **Houston's Voice**

The local Houston management agency runs regular workshops on creating video and marketing. One partner, CultureMap (<http://houstonvoice.com/?partner=CultureMap-Hidden+Houston>), uses Houston's Voice as a destination to discover local cultural happenings.

#### **Philly in Focus**

The Greater Philadelphia Cultural Alliance (<http://www.phillyinfocus.com/channel/philaculture/>), an umbrella arts

---

<sup>11</sup> See, e.g., [www.gottalovefresno.com/partnersignup/](http://www.gottalovefresno.com/partnersignup/).

<sup>12</sup> The Content Partners Guidelines can be found at <http://www.projectopenvoice.com/content-partner-guidelines/>.

organization, uses Philly In Focus as an outlet not only for its videos, but also for its members. Also, the City of Philadelphia's various offices use the platform for hosting everything from press announcements to a concert featuring renowned hip-hop artist Jay-Z.

#### **Local Look Peterborough**

Local businesses and the Greater Peterborough Chamber of Commerce (<http://www.locallookpeterborough.com/chamberofcommerce>) participate in regularly held “birds-of-a-feather” workshops that show local groups how to use video to share their stories. The products of these workshops are often uploaded to the website, and they help add valuable content that other community members can then access.

### **III. Marketing Support for Project Open Voice**

As detailed in the attached Exhibit, Comcast has already committed significant resources to promote awareness of the pilot platforms. From hosting launch events, to implementing strategies developed by advertising agencies with local expertise, Comcast has provided the funding and logistical support required to develop effective communication strategies for each test market.

#### **Community Relations and Content Partner Support**

Project Open Voice's marketing efforts have primarily focused on attracting PEG providers and other local sources to serve as content partners to both the VOD and Online platforms. As discussed above, these direct outreach and communication efforts have encouraged 198 content partners to sign up for the Online platforms, a significant benchmark considering that the average content provider targeted by the pilot program is typically a small producer with limited resources to generate content. Other metrics point to the early success of the marketing strategy. Project Open Voice and the local websites have:

- Collectively received more than 75,000 unique visitors.
- Achieved a rate of nearly 50% of visitors returning to a selected Project Open Voice site within one week.
- Tapped into a network of nearly 1 million people, which includes the total number of web, e-mail, and social media connections of the 198 content partners.
- Gained a social media following of nearly half a million people outside of the Project Open Voice network.<sup>13</sup>



<sup>13</sup> This includes the Facebook “Friends of Friends” metric, which is a standard data point in the Facebook Insights analytics platform.



### **Additional Strategies to Promote Awareness**

Comcast engaged advertising agencies in each pilot market and tasked them with advising the communities on promoting awareness of the Project Open Voice websites. Project Open Voice team members hold bi-weekly calls with each local advertising agency to review marketing and performance progress, and they regularly visit each market to meet with both local agencies and content partners. The Comcast team also holds monthly calls during which the agencies and content partners speak directly to each other and can share ideas, challenges, and successes.

In the coming months, Comcast will implement a five-tier marketing strategy including the following components:

Strategy	Objectives
<b>Continued Community Relations</b>	<ul style="list-style-type: none"><li>▪ Establish marketing partners in each pilot community.</li></ul>
<b>Expanded Social Media</b>	<ul style="list-style-type: none"><li>▪ Focus on the use of Facebook, Twitter and YouTube.</li></ul>
<b>Mobile Solutions</b>	<ul style="list-style-type: none"><li>▪ Optimize all websites for viewing on smartphones and tablets.</li><li>▪ Leverage location-based tools like “QR” codes to direct users to Project Open Voice content.</li></ul>
<b>Search Engine Optimization &amp; Marketing (SEO/SEM)</b>	<ul style="list-style-type: none"><li>▪ Promote consistency and best practices in the use of search terms and other SEO strategies across all markets.</li></ul>
<b>Strategic Support</b>	<ul style="list-style-type: none"><li>▪ Leverage word-of-mouth through partner networks.</li><li>▪ Drive cross-promotion on Comcast-NBCUniversal platforms (see below).</li></ul>

### **Cross-Promotion on Comcast Platforms**

Comcast will continue to use existing media venues to cross-promote both the VOD and Online aspects of the program. Examples of these efforts to date include:

#### **Syndication to Xfinity.com**

Starting with the Philadelphia market, Comcast is currently experimenting with ways to feed video content from the Philly in Focus website to the local section of Xfinity.com (<http://xfinity.comcast.net/local/>).

#### **Telescoping Ads for VOD**

Comcast is working with its National Fulfillment Center to run promotional spots on local networks. Each spot will give a local brand overview and use telescoping technology to drive viewers directly to VOD.



### **Cross-syndication with Everyblock from NBCNews.com**

EveryBlock ([www.everyblock.com](http://www.everyblock.com)), an NBCNews.com property, is a combination of many different types of local news —from public records like crime reports, to neighbor discussions, to photos people have taken in their neighborhoods. Beginning with Philadelphia, Everyblock will run geo-targeted video content supplied by the local Project Open Voice website.



## Project Open Voice Launch Event Summary

Pilot Market	Launch Press Conference Details	Marketing Plan Highlights
<b>Houston, TX</b>	<ul style="list-style-type: none"> <li>Held on Feb. 28, 2012 at Houston City Hall with Mayor Annise Parker in attendance.</li> <li>English and Spanish-language media covered the event, including the <i>Houston Chronicle</i>.<sup>1</sup></li> <li>Mayor Parker introduced project and answered all questions.</li> </ul>	<ul style="list-style-type: none"> <li>Regular contests held for video content.</li> <li>Users can sign up for a weekly e-mail newsletter to learn of new videos and upcoming events.</li> </ul>
<b>Fresno, CA</b>	<ul style="list-style-type: none"> <li>Held on Mar. 20, 2012 in downtown Fresno.</li> <li>Event featured an on-site content partner showcase with providers displaying their channels on laptops for attendees.</li> <li>Mayor Ashley Swearengin met with the content partners for nearly an hour.</li> <li>Earned media coverage included KSEE 24 News.<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>Social media is a specialty of the Fresno marketing agency (e.g., Tweet Ups feature local bands).</li> <li>The website encourages visitors to record themselves “talking up” Fresno.</li> <li>Regular highlights of new and existing content are featured on the site, VOD, and through regular e-mail updates to users.</li> </ul>
<b>Philadelphia, PA</b>	<ul style="list-style-type: none"> <li>Held on Apr. 3, 2012 at PhillyCAM (Philadelphia Community Access Media) with Mayor Michael Nutter in attendance.</li> <li>Event featured an on-site content partner showcase with providers displaying their channels on laptops for attendees.</li> <li>Earned media coverage by <i>The Philadelphia Tribune</i>, NBC 10 Philadelphia, CBS 3 Philadelphia, and several local websites.<sup>3</sup></li> </ul>	<ul style="list-style-type: none"> <li>Philadelphia team led the concept of a content partner toolkit, which includes a publisher’s handbook and best practices.</li> <li>Tutorials provide best practices to content partners.</li> <li>Leverages community connections to spread the word about partner organizations.</li> </ul>
<b>Hialeah, FL</b>	<ul style="list-style-type: none"> <li>Held on April 5, 2012 at the Walker Community Center with Mayor Carlos Hernandez in attendance.</li> <li>Event featured an on-site content partner showcase with providers displaying their channels on laptops for attendees.</li> <li>Earned media coverage by all the major local television stations, including Univision 23, Telemundo 51, CBS 4, and NBC 6. <i>El Nuevo Herald</i> also covered the event.<sup>4</sup></li> </ul>	<ul style="list-style-type: none"> <li>Conduct roundtable discussions on topics ranging from social media practices to business communication strategies.</li> <li>Exploring several possibilities for content partnerships with community newspapers.</li> <li>Working closely with the City of Hialeah on unique marketing opportunities, such as inserts in utility bills.</li> </ul>
<b>Peterborough, NH</b>	<ul style="list-style-type: none"> <li>Held on July 23, 2012 in Downtown Peterborough with two members of the town’s Board of Selectmen and city staff in attendance.</li> <li>Event included all of the content partners.</li> </ul>	<ul style="list-style-type: none"> <li>Site built out with a variety of creative content, since it is a small rural market with a very active arts community.</li> <li>Partnerships with local theaters, galleries, and museums to help spread the word about the site.</li> </ul>

<sup>1</sup> See Chris Moran, *Houston Gets Its Own Internet Channel*, <http://www.chron.com/news/houston-texas/article/Houston-gets-its-own-web-channel-3365408.php> (Feb. 27, 2012).

<sup>2</sup> See KSee News: *Mayor Helps Kick Off 'Gotta Love Fresno' Website*, <http://www.ksee24.com/news/local/Mayor-Helps-Kick-Off-Gotta-Love-Fresno-Website-143538866.html> (Mar. 20, 2012).

<sup>3</sup> See, e.g., Ayana Jones, *Online Video Service Puts Philly In Focus*, <http://www.phillytrib.com/newsarticles/item/3555-online-video-service-puts-philly-in-focus.html> (Apr. 6, 2012); Lou Dubois, *Philadelphia Launches Local, Community-Driven Video Site*, <http://www.nbcphiladelphia.com/news/tech/Philadelphia-Launches-Local-Community-Driven-Video-Site-145979995.html>; John Ostapovich, *Comcast Making Philadelphia’s Public Access Programming More Widely Available*, <http://philadelphia.cbslocal.com/2012/04/03/comcast-making-philadelphias-public-access-programming-more-widely-available/> (Apr. 3, 2012).

<sup>4</sup> See Enrique Flor, *Hernández Anuncia Website Dedicado a Hialeah*, <http://www.elnuevoherald.com/2012/04/09/1173685/hernandez-anuncia-website-dedicado.html> (Apr. 9, 2012).

# **Comcast PEG Pilot Program Progress Report**

*January 28, 2013*

## Transaction Compliance Report

MB Docket No. 10-56

### PEG Pilot Program Update

for the period of July 28, 2012 through January 28, 2013



To the Federal Communications Commission:

This report describes the progress of Project Open Voice<sup>1</sup>, Comcast's pilot program to host Public, Educational, and Governmental ("PEG") content on its Video On Demand ("VOD") and newly created Online platforms, consistent with the commitments and benchmarks set forth in Condition XIV.4 of Appendix A (the "Condition") to the *Transaction Order*.<sup>2</sup>

### Table of Contents

Summary of Key Milestones .....	2
Progress of the VOD Pilot Platform .....	3
Progress of the Online Pilot Platform .....	4
Marketing Support Update.....	5
User Experience Surveys .....	6
Changes Under Consideration .....	8

### Online Copy

As required by Condition XIV.4.vii, a copy of this report is available at <http://corporate.comcast.com/news-information/nbcuniversal-transaction>.

<sup>1</sup> See [www.projectopenvoice.com](http://www.projectopenvoice.com).

<sup>2</sup> *In the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees*, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (as amended by an Erratum released on March 9, 2011) (*Transaction Order*).



## Summary of Key Milestones

Now in its second year, Project Open Voice continues to work with the pilot communities to evaluate the performance of the VOD and Online platforms launched in October 2011 and January 2012, respectively. Previous progress reports<sup>3</sup> described how Comcast met each of the following milestones required by the Condition:

Milestone	Deadline	Result
<b>Condition XIV.4.c.i:</b> Announce the final location of the five pilot communities	Feb. 28, 2011	Announced the selection of Fresno, CA; Hialeah, FL; Houston, TX; Peterborough, NH; and Philadelphia, PA as the trial communities. <sup>4</sup>
<b>Condition XIV.4.c.ii:</b> Initiate VOD placement of available PEG programming in each PEG pilot community	Oct. 28, 2011	Created VOD folders accessible to Comcast video customers in each of the pilot communities, and uploaded content submitted by PEG programmers selected by each community to participate in the trial.
<b>Condition XIV.4.c.iii:</b> Initiate Online placement of available PEG programming in each PEG pilot community through existing or newly created online platforms	Jan. 28, 2012	Designed, built, and launched custom websites to act as video streaming portals for PEG and other local content. Each website was branded with a name and them selected by the pilot communities: <u>Gotta Love Fresno</u> , <u>Yo Soy Hialeah</u> , <u>Houston's Voice</u> , <u>Local Look Peterborough</u> , and <u>Philly in Focus</u> .
<b>Condition XIV.4.c.iv:</b> Initiate marketing support of the VOD and Online platform in each pilot community	July 28, 2012	Initiated marketing support of the VOD and Online platforms in each community. Comcast, in conjunction with the pilot communities, provides local brand promotional resources, including public relations, social media, content coordination, mobile and email marketing, and search engine optimization support.

Comcast is now pleased to report that it has completed surveys of the user experience for the pilot VOD and Online platforms in each community, satisfying the requirement in **Condition XIV.4.c.v** to do so within two years of the closing of the Comcast-NBCUniversal transaction (*i.e.*, by January 28, 2013). In addition, Comcast has already begun implementing the changes recommended in those surveys as well as other initiatives designed to increase community exposure to and participation in Project Open Voice.

Before addressing the survey and its results, this report summarizes the progress of the VOD and Online platforms.

<sup>3</sup> See Letters from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, Federal Communications Commission, MB Docket No. 10-56, dated July 28, 2011; January 30, 2012; and July 30, 2012, respectively.

<sup>4</sup> A sixth site, Medford, Massachusetts, participated as a "beta" site for the platforms.

### **Progress of the VOD Pilot Platform**

The VOD component of the pilot program consists of dedicated content “folders” accessible to Comcast video subscribers in each of the pilot communities. Subscribers can access PEG and other local content selected by their city by navigating to Project Open Voice branded folders on the Comcast VOD service.

Local Comcast VOD teams work closely with each city’s designated PEG content managers to support the service. To simplify the content delivery process, community programmers can now use a simple file transfer website to send their content to the local Comcast VOD managers.

As of January 2013, Project Open Voice’s local VOD servers have hosted more than 160 segments of PEG and other local interest programming. During 2012, Comcast measured approximately 40,000 VOD views of Project Open Voice content across the pilot communities.

Though not as popular as the Online platforms, consumer interest in the VOD service is increasing thanks in part to several enhancements made to the platform. For example, user experience surveys showed that aligning the VOD folder structure with the naming conventions and categories used on pilot websites would make it easier to identify and find Project Open Voice VOD content. The revamped folder structure also allowed the creation of additional folders that feature the most popular content from the community’s website.<sup>5</sup> Thanks to these efforts, VOD now accounts for nearly 10% of all Project Open Voice content views, an increase from the 3% share of all views that the service attracted at launch.

Comcast also increased its efforts to promote the VOD component by highlighting content as “available on Project Open Voice VOD” in the weekly e-newsletter distributed to content partners and pilot website users. To further support VOD viewership, Comcast will continue to promote the platform in various ways, including by emulating the successful earned and social media strategies that have driven the growth of the pilot websites.

---

<sup>5</sup> “Popularity” is determined by the community and is based on the number of views as well as the social activity related to the content.

### **Progress of the Online Pilot Platform**

The PEG Online pilot program consists of custom-built websites branded with the name and theme chosen by each pilot community. The sites serve as portals for the communities, traditional PEG programmers, and other content partners to create and manage content “channels” where they can post videos and other local interest information accessible to anyone on the Internet.

PEG and local content creators have embraced the pilot websites and are actively contributing new and exciting content choices. As of January 2013, 288 content partners in the pilot communities have created streaming channels for PEG or other hyper-local content on the websites. These content providers have collectively uploaded over 4,000 videos to the Project Open Voice websites since the April 2012 beta launch. Content partners also contribute to keeping the Project Open Voice websites relevant by populating online message boards with local announcements, event calendars, and community information about tourism, sports, and education, among other topics.

Usage statistics demonstrate the popularity of the sites. As of January 2013, the pilot websites had collectively received over 147,000 unique visitors and averaged 13,380 unique visitors cumulatively to the sites each month. Even more encouraging, over 40% of visitors return to their local Project Open Voice site within one week, an indicator that the sites are providing relevant and interesting content.

Comcast will continue working with the pilot communities and their marketing advisors to keep driving website visitor growth. A key growth factor is ensuring that the sites feature prominently in social media websites and other content-discovery tools. For example, the social media strategies put in place during last year’s promotional ramp-up appear to be achieving the desired results as social media discovery for the Project Open Voice websites grew from 24% of visits during the April 2012 rollout to 46% of visits in January 2013.

Unique visitors in the “mobile” category also increased from 24% of visits in April 2012 to 31% of visits in January 2013. Mobile page views jumped by an even larger margin, moving from 12% of total page views in April 2012 to 39% by January 2013. Those increases are likely attributable to the launch of full-featured, mobile versions of the sites. Deploying mobile-friendly versions ensures that the Project Open Voice websites are equipped to handle the influx of smartphones and tablet users that access the videos and other content from mobile devices.

## Marketing Support Update

Comcast continues to provide the funding and logistical support required to develop effective communication strategies for each pilot community. Chief among these efforts is the engagement of local advertising agencies that are tasked with helping the pilot communities build awareness of the Project Open Voice brands. These agencies helped each city define a promotional plan, coordinate press events, and track earned media impressions of the pilot platforms and their content.

Project Open Voice launch events were the centerpiece of the communities' earned media strategy. Each event featured a speaker from Comcast describing the program and included mayors, community leaders, and local news outlets, all helping to drive the message of the pilot platforms. Comcast and its partners supplemented this with coordinated earned media campaigns to help deliver a repetitive and consistent message about Project Open Voice. As of December 2012, Comcast had tracked earned media coverage generating over 33 million print and online impressions, as well as over 18 million impressions generated by the extensive television coverage of the pilot platforms.

Comcast and the pilot communities also recognized that an effective social media strategy is an indispensable component of the Project Open Voice outreach plan. Working with their marketing advisors, the communities expanded their social media presence on popular sites like Facebook, Twitter, and YouTube. As a result, the Project Open Voice websites are now tapped into a connected network of over 2.5 million people, which includes the total number of Internet, email, and social media connections of its nearly 300 content partners. On Facebook, for example, Houston's Voice's 1,500 Facebook fans equates to approximately 900,000 "Friends of Fans", which is the sum of all the site's fans and all of their friends.

Comcast also help promote Project Open Voice as a multi-platform destination for PEG and hyperlocal content. Examples of these efforts include:

- Dalai Lama Visit – Comcast provided technical, financial, and production support to live-stream the Dalai Lama's visit to Medford, Massachusetts, through the city's Project Open Voice website, Made in Medford. Event information was promoted through Xfinity.com prior to the visit, with live streaming and photos promoted across all Project Open Voice markets.
- Philadelphia Film Festival – After establishing a channel on Philly in Focus, Comcast promoted the content on Xfinity.com and worked with its local VOD team to establish a folder dedicated to the festival.
- Xfinity Latino – Comcast actively promoted Yo Soy Hialeah through a continuous graphic advertisement on its national microsite dedicated to the Latino community..
- Small Business Event – A content partner of Houston's Voice hosted an educational event for local small business owners. Comcast Business Services partnered with the Project Open Voice team to support and promote the event.

## User Experience Surveys

Beginning in December 2011 and continuing through 2012, Comcast commissioned a series of surveys to assess the performance of Project Open Voice. Specifically, Comcast sought to assess consumer behavior in the trial markets, including their awareness of the pilot platforms, user preferences, and perceived usefulness of the service.

Specific information about the surveys is detailed below.

Phase (Research Type)	Reference	Sampling and Methodology
Phase 1 (Qualitative)	Dec. 2011 - Jan. 2012	Held twelve focus groups in December 2011 –two in each the pilot markets– as well as in Medford, Massachusetts. In order to qualify, focus group participants had to: (1) be involved with the local community and/or be local content viewers; and (2) subscribe to broadband Internet access service at home. In Fresno, Hialeah, and Houston, one of the two groups was conducted with Spanish-dominant Hispanic participants.
Phase 2 (Qualitative)	Dec. 2011	Conducted eight in-depth phone interviews during the weeks of December 5 and December 12, 2011. Participants included content creators and influencers in four pilot markets.
Phase 3 (Quantitative)	Wave 1 (Jan. 2012)	Polling consisted of 500 surveys among broadband Internet users in homes passed by Comcast who are involved in local organizations or consume locally-produced video content. The data was weighted by market size to ensure that the aggregate is representative of the five markets and Medford.
	Wave 2 (Jun. 2012) Wave 3 (Sep. 2012) Wave 4 (Dec. 2012)	Polling consisted of 200 surveys among broadband Internet users in homes passed by Comcast who are involved in local organizations or consume locally-produced video content. The data was weighted by market size to ensure that the aggregate is representative of the five markets and Medford.
Phase 4 (Consumer Research)	Dec. 2012 - Jan. 2013	Users were recruited via the Project Open Voice websites and social media pages to take a 10 minute online survey. The 10 minute online survey focused on the following areas: frequency of access to the Project Open Voice service; customer attitudes about the service; which content areas customers were accessing; overall customer satisfaction, including the likelihood of continued use of the service; and which new content ideas were most appealing to customers.

Key findings gleaned from survey responses include:

- The Project Open Voice websites are a success with current users, who give the sites high ratings for satisfaction and likelihood for repeat visits: 43% of current users are very satisfied with the service; and 61% are likely to continue visiting the service.
- Nearly half (47%) of current users access their local Project Open Voice website more than once a week.
- Neighborhood-level news and interviews, public access programming, and video content from local independent producers are the types of local content most often viewed by 72%, 64%, and 55% of respondents, respectively.
- Current users would like to see more live streams of local events (60%), videos from local producers (55%), neighborhood level news and interviews (54%), and videos by or about community and local civic organizations (52%).
- The quality of the information and videos on the site receive high satisfaction ratings: 47% of current users rated the quality of the information as highly satisfactory; 48% of current users rated the quality of the videos as highly satisfactory.
- The ease of using the websites, including updating and finding information, is an area for possible improvement (only 37% ranked “ease of use” as highly satisfactory).
- Awareness of the local Project Open Voice services is still relatively low, ranging from 6% of the targeted audience in Philadelphia, 11% in Houston, 12% in Fresno, and 20% in the smaller markets of Hialeah, Medford, and Peterborough.
- Among those that are unaware of the Project Open Voice service, 35% would be interested in the service. Interest is highest among those ages 18-34 (43%) and those with children at home (47%). About one-third (32%) of those unaware but interested say they would use Project Open Voice daily or almost daily. Just over five out of ten (54%) say they would access the content through the Online platform.



## Changes Under Consideration

Project Open Voice is already addressing how to improve consumer awareness in the pilot markets by focusing on promotional strategies that have generated the highest impact so far: earned media impressions, social media activity, and outreach through the content partners. In light of insights and feedback received from the pilot communities, PEG partners, and users, Comcast will evaluate the following changes:

- **Establish a scalable platform.** Comcast will consider migrating the pilot websites into a single, centrally managed platform. Doing so will increase the capacity to host content, and provide users and content providers with a more consistent and user-friendly experience.
- **Ensure consumer relevance.** Comcast will work with content partners that focus on neighborhood-level news and other the types of hyperlocal content that is most sought after by users. To improve the discovery of this content, Comcast will also enable website users to create customizable “dashboards” for ready access to their content preferences.
- **Leverage additional Comcast-NBCUniversal resources to promote the platforms.** Comcast continues to explore ways to use Comcast and NBCUniversal media platforms to expose Project Open Voice to new audiences and local content creators.



300 New Jersey Avenue, NW  
Suite 700  
Washington, DC 20001  
[www.comcastcorporation.com](http://www.comcastcorporation.com)

Lynn R. Charytan  
SVP, Legal Regulatory Affairs  
Senior Deputy General Counsel  
Comcast Corporation

February 28, 2014

**VIA ELECTRONIC FILING**

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 Twelfth Street, S.W.  
Washington, D.C. 20554

Re: *In the Matter of Applications of Comcast Corporation, General Electric Company, and NBC Universal Inc. for Consent to Assign Licenses and Transfer Control of Licensees*, MB Docket No. 10-56

Dear Ms. Dortch:

In accordance with the provisions of the Memorandum Opinion and Order adopted in the above-referenced proceeding,<sup>1</sup> Comcast Corporation, for itself and on behalf of NBCUniversal Media, LLC (collectively, the "Company"), hereby submits its third Annual Report of Compliance with Transaction Conditions. This report summarizes the steps the Company has taken across its various business units to comply with each of the Conditions in Appendix A of the *Transaction Order*. In addition, in conjunction with this report, the Company is voluntarily including a summary of its many diversity-related achievements for 2013 and its ongoing diversity initiatives. A copy of this combined report is also available as of today at <http://corporate.comcast.com/news-information/nbcuniversal-transaction>.

Please do not hesitate to contact me should you have any questions.

Sincerely yours,

A handwritten signature in blue ink, reading "Lynn R. Charytan".

Lynn R. Charytan  
Senior Vice President, Legal Regulatory Affairs,  
Senior Deputy General Counsel  
Comcast Corporation

---

<sup>1</sup> *Applications of Comcast Corporation, General Electric Company, and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees*, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) ("*Transaction Order*").

Ms. Marlene H. Dortch

February 28, 2014

Page 2

Enclosure

cc (by e-mail):

Martha Heller

Deputy Chief, Industry Analysis Division

Media Bureau

Martha.Heller@fcc.gov

Jeff Gee

Deputy Chief, Investigations & Hearings Division

Enforcement Bureau

Jeffrey.Gee@fcc.gov

cc (by hand delivery): Chief, Industry Analysis Division

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC**

In the Matter of	)	
	)	
Applications of Comcast Corporation,	)	
General Electric Company,	)	MB Docket No. 10-56
and NBC Universal, Inc.	)	
	)	
For Consent to Assign Licenses and	)	
Transfer Control of Licensees	)	

**THIRD ANNUAL REPORT OF COMPLIANCE  
WITH TRANSACTION CONDITIONS**

*Comcast Corporation  
NBCUniversal Media, LLC*

300 New Jersey Avenue, NW  
Suite 700  
Washington, DC 20001  
(202) 379-7121

February 28, 2014

## TABLE OF CONTENTS

	<i>Page</i>
PART ONE: COMPLIANCE WITH SPECIFIC CONDITIONS .....	2
I.    DEFINITIONS.....	2
II.   ACCESS TO COMCAST-NBCUNIVERSAL PROGRAMMING .....	2
III.  CARRIAGE OF UNAFFILIATED VIDEO PROGRAMMING .....	2
1.  Non-Discriminatory Carriage .....	2
2.  Neighborhooding .....	2
3.  New Independent Networks.....	3
4.  Program Carriage Complaints.....	3
IV.  ONLINE CONDITIONS .....	3
A.  Online Program Access Requirements and Procedures.....	3
B.  Exclusivity/Windowing .....	4
C.  Continued Access to Online Content and Hulu .....	5
1.  Continued Programming on NBC.com.....	5
2.  Preexisting OVD Deals.....	5
3.  Provision of Content to Hulu .....	5
4.  Relinquishment of Control over Hulu.....	5
D.  Standalone Broadband Internet Access Service (“BIAS”) .....	5
1.  Provision of Standalone BIAS .....	5
2.  Visibly Offer and Actively Market Retail Standalone BIAS.....	6
3.  BIAS Annual Report.....	6
E.  Other BIAS Conditions.....	6
1-2.Specialized Service Requirements.....	6
3.  12 Mbps Offering.....	7
F.  “Specialized Service” on Comcast Set-Top Boxes (“STBs”).....	7
G.  Unfair Practices.....	7
V.    NOTICE OF CONDITIONS .....	7
VI.   REPLACEMENT OF PRIOR CONDITIONS .....	7
VII.  COMMERCIAL ARBITRATION REMEDY .....	7
VIII. MODIFICATION TO THE AAA RULES FOR ARBITRATION .....	7
IX.   BROADCAST CONDITIONS .....	8
X.    DIVERSITY CONDITIONS .....	8
1.  Telemundo Multicast Channel.....	9
2-3.Telemundo and mun2 Programming on VOD and Online.....	9
4.  New Weekly Business Program.....	10
5.  Independent Programming Reports .....	10
XI.   LOCALISM .....	11
1.  News, Public Affairs, and Other Local Public Interest Programming.....	11
a.  Preservation of Current Levels of NBC and Telemundo News and Information Programming.....	11
b.  Increased Investment in NBC Local News .....	11
c.  Increased Investment in Telemundo Local News .....	12
2-3. 1,000 Hours of Additional Local News and Information.....	13
a.  NBC Owned Television Stations .....	13

## TABLE OF CONTENTS

	<i>Page</i>
b. Telemundo Station Group .....	14
4. News and Information Programming Reports .....	14
5. Non-Profit News Partners .....	14
6. More VOD Choices at No Additional Charge .....	15
7. Broadcast Content on VOD .....	15
XII. JOURNALISTIC INDEPENDENCE .....	15
XIII. CHILDREN’S PROGRAMMING .....	15
1. Additional Children’s VOD and E/I Programming .....	15
2. Ratings Icons and Parental Controls .....	16
a. Improved Ratings Icons .....	16
b. Improved Parental Controls .....	16
c. Parental Dashboard .....	16
d. Blocking Capabilities of IP-based STBs .....	17
e. Online Ratings Icons .....	17
3. Partnership with Common Sense Media (“CSM”) .....	17
4-5. Interactive Advertising .....	18
6. PSAs .....	18
XIV. PEG CONDITIONS .....	18
1. No Migration to Digital Delivery .....	18
2. PEG Carriage on Digital Starter .....	19
3. Quality of PEG Delivery .....	19
4. PEG Pilot Program .....	19
XV. NCE AND LOCAL NCE .....	19
XVI. BROADBAND DEPLOYMENT AND ADOPTION .....	19
1. Broadband Footprint Expansion .....	19
a. 1,500-mile Expansion .....	19
b. Internet Service Upgrades to Rural Communities .....	20
c. Additional Courtesy Accounts .....	20
2. Broadband Adoption – <i>Internet Essentials</i> , the Comcast Broadband Opportunity Program .....	20
XVII. GENERAL .....	22
XVIII. VIOLATIONS .....	22
XIX. REPORTING REQUIREMENTS .....	22
XX. TERM .....	23
PART TWO: OVERVIEW OF PROGRESS ON VOLUNTARY DIVERSITY	
COMMITMENTS .....	23
A. Governance .....	23
B. Workforce Recruitment and Career Development .....	24
C. Supplier Diversity .....	25
D. Programming .....	25
E. Community Investment and Partnerships .....	26
F. Accessibility Initiatives .....	26
G. Catalyst Fund .....	27



## TABLE OF CONTENTS

*Page*

### APPENDICES

- A. NBCUniversal Non-Profit News Partners Progress Report (Jul. 29, 2013)
- B. NBCUniversal Non-Profit News Partners Progress Report (Jan. 28, 2014)
- C. Comcast PEG Pilot Program Progress Report (Jul. 29, 2013)
- D. Comcast PEG Pilot Program Final Report and Evaluation (Jan. 28, 2014)
- E. Comcast Internet Essentials Annual Compliance Report (Jul. 31, 2013)

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC**

In the Matter of	)	
	)	
Applications of Comcast Corporation,	)	
General Electric Company,	)	MB Docket No. 10-56
and NBC Universal, Inc.	)	
	)	
For Consent to Assign Licenses and	)	
Transfer Control of Licensees	)	

February 28, 2014

**THIRD ANNUAL REPORT OF COMPLIANCE  
WITH TRANSACTION CONDITIONS**

Comcast Corporation (“Comcast”), for itself and on behalf of NBCUniversal Media, LLC (“NBCUniversal”) (and collectively, the “Company”), submits its third annual report regarding the Company’s compliance with the conditions set forth in Appendix A (the “Conditions”) of the *Transaction Order*<sup>1</sup> for the period of January 29, 2013 through January 28, 2014 (the “Reporting Period”). In accordance with Condition XIX of the *Transaction Order*, a copy of this report is available as of today on the Corporate Website.<sup>2</sup>

This report is structured as follows. *Part One: Compliance with Specific Conditions* reviews the steps the Company has taken during the Reporting Period with respect to each of the Conditions.<sup>3</sup> *Part Two: Overview of Progress on Voluntary Diversity Commitments* highlights some of the diversity and inclusion-related accomplishments that the Company has achieved during the Reporting Period.

---

<sup>1</sup> *Applications of Comcast Corporation, General Electric Company, and NBC Universal, Inc., for Consent to Assign Licenses and Transfer Control of Licensees*, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (as amended by the Erratum released on March 9, 2011). Capitalized terms have the meaning ascribed herein and do not necessarily conform to the terms or definitions used in the *Transaction Order*.

<sup>2</sup> See <http://corporate.comcast.com/news-information/nbcuniversal-transaction> (“Corporate Website”).

<sup>3</sup> *Part One* is organized to correspond with each section of the Conditions. Where a particular section is definitional only or otherwise does not include directives requiring or prohibiting certain conduct, this report nonetheless includes a reference for completeness.

As previously reported, transaction compliance is led by David L. Cohen, Comcast Corporation's Executive Vice President, and supported by dedicated Transaction Compliance Teams at both Comcast and NBCUniversal. The teams collaborate to ensure consistency in compliance methods, interpretation, and oversight across the Company's numerous business units, train relevant personnel, and review any transaction that may implicate the Conditions.

Compliance oversight efforts were further enhanced during the Reporting Period by the Company-wide deployment of a database that facilitates the Transaction Compliance Teams' review of business unit progress towards meeting of compliance milestones under the Conditions and related commitments and agreements.

## **PART ONE: COMPLIANCE WITH SPECIFIC CONDITIONS**

### **I. DEFINITIONS**

*Provision defining the terms used in the Conditions:* This section is definitional only.

### **II. ACCESS TO COMCAST-NBCUNIVERSAL PROGRAMMING**

*Provision establishing that multichannel video programming distributors ("MVPDs") may submit program access disputes to commercial arbitration:* NBCUniversal remains committed to good faith commercial negotiations designed to make its programming available to MVPDs at a mutually acceptable price, and on mutually acceptable terms and conditions. No MVPD has submitted any program access dispute to commercial arbitration during the Reporting Period.

### **III. CARRIAGE OF UNAFFILIATED VIDEO PROGRAMMING**

#### **1. Non-Discriminatory Carriage**

*Prohibition on the Company discriminating in video programming distribution on the basis of affiliation or non-affiliation:* Compliance with the program carriage requirements is integrated into the Company's day-to-day business and guides its carriage decisions; this is also an area of focus for the Comcast Transaction Compliance Team. No program carriage complaints were filed against Comcast during the Reporting Period. Further, Comcast continued to demonstrate its commitment to the distribution of unaffiliated programming by launching new independent networks and substantially expanding the distribution of several existing independent networks owned by or focused on diverse audiences.<sup>4</sup>

#### **2. Neighborhooding**

*Requirement that independent news channels be included if Comcast creates news neighborhoods:* On September 26, 2013, the Commission ruled on Bloomberg's complaint and

---

<sup>4</sup> See also *Part One: Compliance with Specific Conditions*, Section III.3, and *Part Two: Overview of Progress on Voluntary Diversity Commitments*, Section D.

the resulting petitions to deny.<sup>5</sup> Comcast and Bloomberg cross-appealed and the case is pending review.<sup>6</sup> Comcast has fully repositioned Bloomberg Television in all relevant markets in accordance with the Commission's order.

### **3. New Independent Networks**

*Requirement to launch 10 new independently owned or operated networks within eight years, eight of which are to be minority owned or controlled:* Comcast has now launched five of the 10 independent networks that it committed to in the Transaction. As previously reported, Comcast launched BBC World News in 2011 and, with the 2012 launch of AsPIRE and Baby First Americas, satisfied the first milestone of its voluntary commitment to launch independent networks with Hispanic American or African American ownership or management. Comcast has now satisfied the second milestone by launching two additional minority owned or operated independent channels during the Reporting Period: First, REVOLT, a new music and pop culture network created by music icon Sean "Diddy" Combs and MTV veteran Andy Schuon, launched in October 2013 and is now available in 25 Comcast markets.<sup>7</sup> Second, in December 2013, Comcast began distributing El Rey, a new network by acclaimed writer-director Robert Rodriguez for Hispanic and general audiences that includes programming that features, and is produced or directed by, Hispanic celebrities and public figures. El Rey is now available in 18 Comcast markets.

### **4. Program Carriage Complaints**

*Procedure for bringing carriage complaints:* This section is administrative in nature.

## **IV. ONLINE CONDITIONS**

### **A. Online Program Access Requirements and Procedures**

*Provision setting forth program access requirements that obligate the Company to provide its programming for online display by third parties in certain circumstances:* Agreements with online video distributors ("OVDs") have become a regular part of the Company's program licensing business, as they were before the Transaction. NBCUniversal entered into or renewed agreements with several OVDs during the Reporting Period, including

---

<sup>5</sup> *Bloomberg L.P. v. Comcast Cable Communications, LLC*, MB Docket No. 11-104, Memorandum Opinion and Order (rel. Sep. 26, 2013).

<sup>6</sup> *Bloomberg L.P. v. Federal Communications Commission*, Case No. 13-3788 (2d Cir.).

<sup>7</sup> J.T. Ramsay, *Comcast Brings REVOLT to Xfinity TV* (Oct. 21, 2013), <http://corporate.comcast.com/comcast-voices/comcast-brings-revolt-to-xfinity-tv>.

deals with Amazon,<sup>8</sup> Drama Fever,<sup>9</sup> Hoopla,<sup>10</sup> Netflix, Sensio,<sup>11</sup> and others, as well as deals with several MVPDs that include access to linear channels across multiple platforms. In addition to these arrangements, NBCUniversal continues to negotiate with OVDs for carriage of its linear programming networks.

The applications for review in the Project Concord arbitration remain pending,<sup>12</sup> as does the application for review filed by several content companies challenging the Media Bureau's clarification that OVDs invoking the Benchmark Condition must disclose the terms of the comparable peer agreements to NBCUniversal's outside counsel and consultants to the extent necessary to enable NBCUniversal to carry out its obligations under the Condition.<sup>13</sup>

## **B. Exclusivity/Windowing**

*Restriction on the Company's ability to enter into or enforce provisions designed to limit online video distribution, except in certain circumstances:* The Company carefully reviews proposals to limit online display of video programming, whether in carriage or licensing agreements, to ensure compliance with this Condition. The Company believes that its approach positions it as the most "online friendly" programmer and MVPD in the industry. Notably, the Company continually receives proposals from MVPDs and programmers alike that seek to limit online display of programming, illustrating the degree to which the practice remains common in the industry.

---

<sup>8</sup> Press Release, Prime Instant Video Adds Exclusive Subscription Streaming Access to Popular NBCUniversal shows Covert Affairs, Defiance, Grimm, Hannibal, and Suits (May 16, 2013), <http://www.businesswire.com/news/home/20130516005743/en/Prime-Instant-Video-Adds-Exclusive-Subscription-Streaming>.

<sup>9</sup> T. Spangler, *NBCU's Telemundo Sets Streaming Deal for Telenovelas with DramaFever* (Dec. 13, 2013), <http://variety.com/2013/digital/news/nbcus-telemundo-sets-streaming-deal-for-telenovelas-with-dramafever-exclusive-1200952682/>.

<sup>10</sup> Press Release, Hoopla Digital Announces Agreements with Universal Pictures, MGM, National Geographic and BBC America to Expand Mobile Content Offering for Public Libraries (Nov. 6, 2013), <http://www.prnewswire.com/news-releases/hoopla-digital-announces-agreements-with-universal-pictures-mgm-national-geographic-and-bbc-america-to-expand-mobile-content-offering-for-public-libraries-231080121.html>.

<sup>11</sup> Press Release, Sensio Announces Licensing Agreement with Universal Studios to Offer D Movies on 3DGO! (Oct. 13, 2013), [http://sensio.tv/news\\_print.php?lang=en&id=108](http://sensio.tv/news_print.php?lang=en&id=108).

<sup>12</sup> *In the Matter of Arbitration between Project Concord, Inc. v. NBCUniversal Media, LLC*, MB Docket No. 10-56, Project Concord, Inc. Application for Review (filed Dec. 13, 2012); NBCUniversal Media LLC's Application for Review (filed Dec. 13, 2012).

<sup>13</sup> MB Docket No. 10-56, Order (rel. Dec. 4, 2012).

## **C. Continued Access to Online Content and Hulu**

### **1. Continued Programming on NBC.com**

*Requirement to continue to provide equivalent programming on NBC.com on equivalent terms and conditions:* During the Reporting Period, NBC.com maintained programming of the equivalent type, quantity, and quality as provided by the site on the date of the *Transaction Order*, and on equivalent terms and conditions.

### **2. Preexisting OVD Deals**

*Obligation to honor any agreement or arrangement entered into before the date of the Transaction Order providing rights to online video programming:* Preexisting licenses for online display of programming continue to be honored until the close of their existing terms, absent material breach by the licensee.

### **3. Provision of Content to Hulu**

*Requirement that NBCUniversal renew its agreements with Hulu on substantially the same terms and conditions as the other two content partners (Disney-ABC Television Group and Fox Entertainment Group):* As previously reported, the parties' interactions in this regard have been conducted in accordance with the provisions of this Condition.

### **4. Relinquishment of Control over Hulu**

*Obligation to convert NBCUniversal's interest in Hulu to one that is purely economic:* As previously reported, this obligation has been completed.<sup>14</sup>

## **D. Standalone Broadband Internet Access Service ("BIAS")**

### **1. Provision of Standalone BIAS**

*Requirement to provide BIAS on a standalone basis and to offer a new 6 Mbps down service at no more than \$49.95 per month:* Comcast continues to offer, on a standalone basis and at reasonable prices, any tiers of BIAS that it offers on a bundled or multi-product basis. Comcast also offers its "Performance Starter" tier, a 6 Mbps down standalone BIAS service, priced at \$49.95 per month. Pursuant to the *Broadband Consent Decree* entered into with the Commission on June 27, 2012, Comcast will continue to offer Performance Starter at least

<sup>14</sup> Letter from Lynn R. Charytan, Senior Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56 (Feb. 22, 2011).



through February 21, 2015.<sup>15</sup> The *Broadband Consent Decree* also imposes training and other requirements to reinforce Comcast's standalone BIAS obligations, which are discussed in a separate report.

## 2. Visibly Offer and Actively Market Retail Standalone BIAS

*Obligation to visibly offer and actively market standalone BIAS:* Comcast regularly promotes standalone BIAS in its general marketing efforts, referencing the standalone BIAS options in advertisements and other promotional materials. As required by the *Broadband Consent Decree*, Comcast supplemented its normal practices during the Reporting Period with an additional major advertising campaign for its standalone BIAS offerings. As previously reported, Comcast has implemented safeguards designed to ensure that standalone BIAS services are actively marketed, including a requirement that all Comcast's customer service representatives ("CSRs") undergo training, and that all information concerning standalone BIAS offerings, including Performance Starter, is included on Comcast product lists and in ordering systems at Comcast retail locations. Comcast also maintains a linkable web page devoted exclusively to describing (e.g., price and speed) and permitting online purchase of all retail standalone BIAS offerings, including Performance Starter, by both new and existing Comcast customers. In fact, an increasing percentage of the standalone BIAS customers are signing up through the web page. These commitments have been reinforced – and with respect to training, expanded – pursuant to the *Broadband Consent Decree*.

## 3. BIAS Annual Report

*Requirement that Comcast file a report regarding its compliance with Condition IV.D.1 annually and upon any standalone BIAS price adjustment:* Comcast filed the reports required by this Condition.<sup>16</sup>

### E. Other BIAS Conditions

#### 1-2. Specialized Service Requirements

*Requirements that apply should Comcast offer a "Specialized Service" that includes its own or third party content:* Comcast is not offering any "Specialized Service" as described in Condition IV.E.

---

<sup>15</sup> Comcast agreed to extend the Standalone BIAS Condition for one year (until February 21, 2015) and change the earliest date upon which it is permitted to increase the price of Performance Starter to August 22, 2013. *In the Matter of Comcast Corporation*, File No.: EB-11-IH-0163, Consent Decree (rel. Jun. 27, 2012) ("*Broadband Consent Decree*"), at ¶ 15.

<sup>16</sup> Letters from Lynn R. Charytan, Senior Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56 filed on Feb. 22, 2013, May 5, 2013, and February 21, 2014.

### **3. 12 Mbps Offering**

*Obligation to offer a BIAS tier of at least 12 Mbps down in all Comcast DOCSIS 3.0 markets:* A “Performance” service tier with at least 12 Mbps download speeds continues to be offered across Comcast’s entire DOCSIS 3.0 footprint. During the Reporting Period, the downstream speed of the Performance tier was increased to at least 20 Mbps in Comcast’s top 30 markets – and in fact, each of those same markets offers service with downstream speed of at least 105 Mbps.

#### **F. “Specialized Service” on Comcast Set-Top Boxes (“STBs”)**

*Provision noting that the requirements of Condition IV.E.1 and 2 will apply should Comcast STBs enable access to a “Specialized Service”:* Because Comcast is not offering any “Specialized Service” as described in Condition IV.E, this Condition does not apply.

#### **G. Unfair Practices**

*Prohibition on unfair methods of competition, retaliation, and improper influence:* The requirements of this Condition are consistent with the Company’s ordinary business practices and have been fully complied with.

### **V. NOTICE OF CONDITIONS**

*Requirement that the Company provide notice of the Conditions to OVDs, MVPDs, and video programming vendors in connection with expiring agreement or new requests:* In response to new requests for carriage or programming, or expiring agreements, the Company provides the requesting party with a copy of the Conditions by e-mail. During the Reporting Period, NBCUniversal distributed over 1,100 notices of Conditions to MVPDs, video programming vendors, and OVDs, and Comcast distributed approximately 220 notices to programmers.

### **VI. REPLACEMENT OF PRIOR CONDITIONS**

*Provision replacing Adelphia arbitration procedures:* This Condition is administrative in nature.

### **VII. COMMERCIAL ARBITRATION REMEDY**

*Procedures for arbitration:* This Condition is administrative in nature; however, to the extent that the Company has engaged in arbitration pursuant to the Conditions to date, these procedures have governed.

### **VIII. MODIFICATIONS TO AAA RULES FOR ARBITRATION**

*Modification of the American Arbitration Association’s rules:* This Condition is administrative in nature.

## IX. BROADCAST CONDITIONS

*Requirement to comply with Sections 2, 3, and 7 of the June 3, 2010 Agreement between Comcast Corporation, NBC Universal, Inc., and the NBC Television Affiliates (the “NBC Affiliates Agreement”), and with all of the terms of the June 21, 2010 Agreement between Comcast Corporation and the ABC Television Affiliates Association, the CBS Television Network Affiliates Association, and the FBC Television Affiliates Association (the “ABC, CBS and Fox Affiliates Agreement”)*<sup>17</sup>: As previously reported, the Company maintains separation between its cable and broadcast businesses with respect to NBCUniversal’s negotiation of affiliation agreements and retransmission consent agreements with non-Comcast MVPDs, and Comcast’s negotiations of retransmission consent agreements with broadcasters.<sup>18</sup> In addition, the Company abides by its affiliate market integrity obligations,<sup>19</sup> and it has maintained major sporting events on the NBC Network, including approximately 182.5 hours of 2014 Sochi Winter Olympics coverage earlier this month.<sup>20</sup>

## X. DIVERSITY CONDITIONS

The Company continues to strengthen and enrich its offering of diverse programming choices, expanding the distribution of diverse networks, and featuring thousands of On Demand (“VOD”) and On Demand Online (“Online”) choices geared toward African American, Asian American, and Hispanic audiences. Since the Closing of the Transaction, Comcast has launched a family of award-winning microsites specific to the diverse communities.<sup>21</sup> In 2013, Comcast launched [Xfinity.com/Asia](http://Xfinity.com/Asia), an online portal that brings together a wealth of Asian-Pacific entertainment content from a variety of sources.<sup>22</sup> The microsite gives Xfinity customers access to special programming across the Xfinity platforms – TV, VOD, online, and on mobile devices. Comcast also launched [Xfinity.com/CelebrateBlackTV](http://Xfinity.com/CelebrateBlackTV), a new Internet destination featuring special programming celebrating Black History Month recognizing the many contributions of the

<sup>17</sup> Appendix F to the *Transaction Order*.

<sup>18</sup> NBC Affiliates Agreement, at § 3.

<sup>19</sup> NBC Affiliates Agreement, at §§ 2, 7.

<sup>20</sup> A. Kondoljy, *NBCUniversal to Provide Unprecedented Coverage of 2014 Sochi Olympics* (Dec. 19, 2013), <http://tvbythenumbers.zap2it.com/2013/12/19/nbcuniversal-to-provide-unprecedented-coverage-of-2014-sochi-olympics/223746/>.

<sup>21</sup> See Xfinity - The Most Multicultural Content Anywhere, Anytime, <http://corporate.comcast.com/news-information/news-feed/the-most-multicultural-content-anywhere-anytime>.

<sup>22</sup> Press Release, Xfinity Launches Online Destination for Asian-Pacific Entertainment (May 2, 2013), <http://corporate.comcast.com/news-information/news-feed/xfinity-launches-online-destination-for-asian-pacific-entertainment>.

African-American culture and community to the US and the world.<sup>23</sup> And, to commemorate the 50th anniversary of the March on Washington led by Martin Luther King, Jr., the Company launched HisDreamOurStories.com, an award-winning website featuring more than 80 interviews with civic leaders, elders, clergy, and activists involved in the Civil Rights movement.<sup>24</sup>

The newly-created Hispanic Enterprises and Content unit is charged with expanding NBCUniversal's reach and relevance to Hispanic audiences across its news and entertainment platforms. The Telemundo network ranked as the fastest growing Spanish-language network year-over-year in primetime among total viewers and adults 18-49,<sup>25</sup> and Telemundo Studios, the biggest producer of Spanish-language original content in the country, continues to expand a production operation that now delivers more than 750 hours of telenovela programming a year through its Miami studios. According to *Variety*, "NBCUniversal's willingness to invest in making Telemundo more competitive in its battle against Univision and other outlets vying for Hispanic audiences has been a spark for the domestic Spanish-language marketplace."<sup>26</sup>

### **1. Telemundo Multicast Channel**

*Requirement that the Company launch a new multicast channel on its Telemundo Station Group stations by January 28, 2012, and make this programming available to Telemundo affiliates:* As previously reported, this obligation has been completed.

### **2-3. Telemundo and mun2 Programming on VOD and Online**

*Requirement that the Company use its VOD and Online platforms to feature Telemundo programming and increase the number of Telemundo and mun2 VOD programming choices from 35 to 100 choices within 12 months and by an additional 200 choices within 3 years:* The Company has met the three year milestone required by this Condition. By the end of the Reporting Period, there were 335 Telemundo and mun2 VOD programming choices available on

<sup>23</sup> Press Release, Comcast's Xfinity Celebrates Black History Month with Special Entertainment Collection and Online Destination (Jan. 31, 2013), <http://corporate.comcast.com/news-information/news-feed/comcasts-xfinity-celebrates-black-history-month-with-special-entertainment-collection-and-online-destination>.

<sup>24</sup> R. T. Umstead, *Comcast, Cable Nets to Commemorate 'March on Washington' Anniversary* (Aug. 23, 2013), <http://www.multichannel.com/blogs/picture/comcast-cable-nets-commemorate-%E2%80%98march-washington%E2%80%99-anniversary>.

<sup>25</sup> A. Kondoljy, *Telemundo is the Fastest Growing Network in Adults 18-49 During Primetime Compared to Last Summer* (Aug. 28, 2013), <http://tvbythenumbers.zap2it.com/2013/08/28/telemundo-is-the-fastest-growing-network-in-adults-18-49-during-primetime-compared-to-last-summer/199865/>.

<sup>26</sup> C. Littleton, *NBCUniversal Bets Big on Original Spanish-Lingo Productions* (Jul. 30, 2013), <http://variety.com/2013/tv/news/nbcuniversal-bets-big-on-original-spanish-lingo-productions-1200569558/>.

Comcast's central VOD storage facilities.

Telemundo became the fourth NBCUniversal network to launch a TV Everywhere product: the Telemundo Now mobile app and [TelemundoNow.com](http://TelemundoNow.com), both of which allow authenticated viewers to watch full episodes of Telemundo's best programs on the web.<sup>27</sup> Telemundo and mun2 programming is available to authenticated subscribers on Comcast's XfinityTV.com portal, which featured over 200 Telemundo and mun2 choices, including full-length episodes of popular programs like Telemundo's *Rosa Diamante*, and *Dama y Obrero*, and mun2's *Larrymania*.<sup>28</sup> In addition, Telemundo and mun2 continue to offer long and short form programming on their respective websites.<sup>29</sup>

#### 4. New Weekly Business Program

*Obligation to work with an independent producer to produce a new weekly business news program:* As previously reported, the Company fulfilled this obligation.

#### 5. Independent Programming Reports

*Requirement to file quarterly reports concerning the independent programming aired by the Company's owned or controlled stations and programming networks:* The Company filed reports with the Commission containing information on the independent programming aired by each of the Company's owned or controlled stations and programming networks during each calendar quarter.<sup>30</sup> The reports were posted and remain available on the Corporate Website, and are also accessible through a link posted on the homepage of each reporting station or network. While the Condition establishes no target, it is worth noting that, as detailed in the reports, the Company's owned or controlled stations and programming networks collectively aired approximately 123,942 hours of independent programming during 2013, an average of almost 31,000 hours per quarter.

<sup>27</sup> TVNewsCheck.com, *Telemundo Media Launches TV Everywhere* (Oct. 22, 2013), [www.tvnewscheck.com/article/71407/telemundo-media-launches-tv-everywhere](http://www.tvnewscheck.com/article/71407/telemundo-media-launches-tv-everywhere).

<sup>28</sup> See <http://xfinitytv.comcast.net/tv-networks/Telemundo/80/main> and <http://xfinitytv.comcast.net/tv-networks/mun2/484/main>.

<sup>29</sup> See <http://msnlatino.telemundo.com/videos/allprograms> and <http://www.mun2.tv/watch/full-episodes>.

<sup>30</sup> The reports were filed in MB Docket No. 10-56 on the following dates: April 15, 2013 (first quarter); July 15, 2013 (second quarter); October 31, 2013 (third quarter); and January 15, 2014 (fourth quarter) and are available at <http://corporate.comcast.com/news-information/nbcuniversal-transaction/independent-programming>.

## XI. LOCALISM

### 1. News, Public Affairs, and Other Local Public Interest Programming

*Obligation to “preserve and enrich the output of local news, local public affairs, and other public interest programming” through the use of certain windows on the NBCUniversal-owned stations, time slots on the cable channels, and Comcast VOD and Online platforms:* Beyond the considerable, long-term investments in local news operations summarized in previous annual reports, the Company continues to preserve and enhance local news by making strategic investments in its owned stations, including new and upgraded broadcast facilities in the Dallas-Fort Worth and Philadelphia markets.<sup>31</sup>

#### a. Preservation of Current Levels of NBC and Telemundo News and Information Programming

*Prohibition on reduction of current level of news and information programming on the stations that comprise the NBC Owned Television Stations and Telemundo Station Group divisions:* During the Reporting Period, the NBCUniversal-owned NBC and Telemundo television stations collectively aired more news and information programming than aired in the year preceding the Closing of the Transaction.

#### b. Increased Investment in NBC Local News

*Obligation to expand newscasts at the stations that comprise the NBC Owned Television Stations division:* The NBC Owned Television Stations division continues to make significant investments in its stations. A key highlight was the October 2013 inauguration of a state-of-the-art broadcasting and multimedia facility for KXAS in Dallas-Fort Worth. The building is also home to Telemundo Dallas (KXTX), and the NBC News Dallas-Fort Worth network bureau.<sup>32</sup> The NBC Owned Television Stations division also increased its newsgathering capabilities with the addition of a new news helicopter at WCAU in Philadelphia, a new specialized weather truck at WRC in Washington, D.C. and a new satellite and microwave truck at WVIT in Connecticut,

<sup>31</sup> In addition, Telemundo launched a new \$10 million studio at its Hialeah headquarters as part of its preparations for coverage of the FIFA World Cup Soccer series, beginning in 2015. See C. Lackner, *Telemundo Launches \$10 Million Studio*, *Miami Today* (Aug. 15, 2013) <http://www.miamitodaynews.com/2013/08/15/telemundo-launches-10-million-studio/>.

<sup>32</sup> TVNewsCheck.com, *KXAS Opens State-of-the-Art Building* (Oct. 1, 2013), [www.tvnewscheck.com/article/70871/kxas-opens-stateoftheart-building](http://www.tvnewscheck.com/article/70871/kxas-opens-stateoftheart-building).



among other investments. In addition, in 2013 WMAQ in Chicago added five new members to its investigative team to bolster its investigative coverage.<sup>33</sup>

The NBC Owned Television Stations won a number of awards in 2013 for local news coverage and investigations conducted in the prior year, including a National Edward R. Murrow Award for WNBC in New York for its breaking news coverage of Hurricane Sandy,<sup>34</sup> and a Peabody Award for WVIT in Connecticut for its coverage of the Sandy Hook Elementary School tragedy.<sup>35</sup>

c. Increased Investment in Telemundo Local News

*Obligation to increase investment in the Telemundo Station Group's locally-produced newscasts, over three years:* The news operations of the Telemundo Station Group's stations continue to benefit from the Company's multimillion dollar investment. As mentioned above, Telemundo Dallas (KXTX) now shares a state-of-the-art broadcasting and multimedia news facility with sister station NBC Dallas-Fort Worth. In addition, Telemundo Philadelphia (WWSI), one of two new stations added to the Telemundo Station Group during the Reporting Period,<sup>36</sup> began airing two new, Spanish-language newscasts on January 13, 2014 during weeknights at 6:00 and 11:00 P.M., the first-ever local newscast for the station.<sup>37</sup> The newscasts originate from the same facility that houses NBC 10 Philadelphia (WCAU), which allows

---

<sup>33</sup> A. Dodson, *WCAU SkyForce 10 Features All The Bells And Whistles* (Aug. 8, 2013), <http://www.tvnewscheck.com/playout/2013/08/wcau-skyforce-10-features-all-the-bells-and-whistles/>; L. Cayne, *Storm Team 4x4 Broadcasts From the Storms* (May 30, 2013), <http://www.nbcwashington.com/news/local/Storm-Team-4x4-Broadcasts-From-the-Storms-209548531.html>; D. McAdams, *WVIT-TV Unveils HD ENG Truck* (Aug. 8, 2013), <http://www.tvtechnology.com/article/wvit-tv-unveils-hd-eng-truck/220915>; L. Lazare, *WMAQ-Channel 5 to Expand Investigative Team* (Jun. 26, 2013), <http://www.bizjournals.com/chicago/news/2013/06/26/wmaq-channel-5-to-expand-investigative.html?page=all>.

<sup>34</sup> See list of 2013 National Edward R. Murrow Award Winners at [http://rtdna.org/content/2013\\_national\\_edward\\_r\\_murrow\\_award\\_winners#.UvLGf9K1yM4](http://rtdna.org/content/2013_national_edward_r_murrow_award_winners#.UvLGf9K1yM4).

<sup>35</sup> D. Marzalek, *Local News Peabody Winners Up Close, Pt. 2* (Apr. 3, 2013), <http://www.tvnewscheck.com/article/66737/local-news-peabody-winners-up-close-pt-2>.

<sup>36</sup> TVNewsCheck.com, *Telemundo Closes on Purchase of WWSI* (Jul. 2, 2013), [www.tvnewscheck.com/article/68674/telemundo-closes-on-purchase-of-wwsi](http://www.tvnewscheck.com/article/68674/telemundo-closes-on-purchase-of-wwsi); Press Release, NBCUniversal Owned Stations Acquire KTLN-TV in Rio Grande City, Texas (Jan. 2, 2014), <http://nbcumv.com/mediavillage/localmediadivision/nbclocalmediadivision/pressreleases?pr=contents/press-releases/2014/01/02/nbcuniversalown1506404.xml>.

<sup>37</sup> WWSI has long been a Telemundo affiliate, but did not produce local news under its previous owners.

Telemundo Philadelphia to benefit from the equipment and expertise of its sister station.<sup>38</sup> The newscasts also benefit from new technology investments at Telemundo Philadelphia, including a more powerful transmitter and a stronger antenna for HD broadcasts. In support of the launch, Telemundo Philadelphia recruited 15 Spanish-speaking journalists and other professionals to fill the roles of reporter, producer, anchor, and photographer, as well as positions in sales, finance, and engineering.<sup>39</sup>

## **2-3. 1,000 Hours of Additional Local News and Information**

### **a. NBC Owned Television Stations**

*Requirement that the stations that comprise the NBC Owned Television Stations division produce an additional 1,000 hours per year of original, local news and information programming to air on multiple platforms:* During 2013, across the 10 stations that comprise the NBC Owned Television Stations division, the Company produced and aired approximately 2,500 hours of regularly scheduled local news programming over and above the amount aired in the year preceding the Closing of the Transaction.<sup>40</sup> This total exceeds the requirement in this Condition by approximately 1,500 hours. As previously reported, the increase was accomplished primarily by expanding local newscasts on the stations' primary channels. In the last year, several NBC Owned Television Stations continued to increase the news and information programming they provide to their local communities, including additional weekend news broadcasts on WMAQ in Chicago, KNBC in Southern California, and WNBC in New York. WCAU in Philadelphia added a new local high school sports show to its weekend schedule, including extensive highlights and scores from high school games across the Pennsylvania, New Jersey, and Delaware viewing area.<sup>41</sup>

<sup>38</sup> TVNewsCheck.com, *Telemundo's WWSI Gets Ready to Make News* (Dec. 10, 2013), [www.tvnewscheck.com/article/72577/telemundos-wwsi-gets-ready-to-make-news](http://www.tvnewscheck.com/article/72577/telemundos-wwsi-gets-ready-to-make-news).

<sup>39</sup> TVNewsCheck.com, *WWSI Philly Hiring 15 to Launch Local News* (Sep. 11, 2013), [www.tvnewscheck.com/article/70384/wwsi-philly-hiring-15-to-launch-local-news](http://www.tvnewscheck.com/article/70384/wwsi-philly-hiring-15-to-launch-local-news).

<sup>40</sup> In 2013, the stations that comprise the NBC Owned Television Stations division continued to add local news programming on their primary channels; however reductions in the local newscasts on the stations' multicasts resulted in a small net reduction from 2012. Nonetheless, the stations maintained a cumulative total of local news and information programming approximately 2,500 hours above the news totals in the year preceding the Closing of the Transaction.

<sup>41</sup> M. Knox, *WMAQ Expands Weekend Morning Newscasts* (Jul. 9, 2013), [http://www.mediabistro.com/tvspy/wmaq-expands-weekend-morning-newscasts\\_b96847](http://www.mediabistro.com/tvspy/wmaq-expands-weekend-morning-newscasts_b96847); TVNewsCheck.com, *KNBC L.A. Expands Weekend Newscasts* (Feb. 6, 2013), <http://www.tvnewscheck.com/article/65312/knbc-la-expands-weekend-newscasts>; TVNewsCheck.com, *WCAU Expands High School Sports Coverage* (Aug. 21, 2013), <http://www.tvnewscheck.com/article/69879/wcau-expands-high-school-sports-coverage>.

In addition, COZI TV, a 24 hour national network that airs on the NBC-owned stations' multicast channels, also offers flexible time blocks for the stations to air expanded coverage of local and national news, sports, and special events. The extra capacity on the multicast channels was used to provide expanded coverage of local news and public affairs, such as the final debate in the New York City's Mayor's race.

b. Telemundo Station Group

*Requirement that at least six of the stations that comprise the Telemundo Station Group division collectively produce an additional 1,000 hours per year of original, local news and information programming:* During 2013, the owned Telemundo stations collectively produced and aired approximately 2,300 hours of regularly scheduled local news programming over and above the amount aired in the year preceding the Closing of the Transaction, not including the news from the recently acquired stations. This total exceeds the requirement in this Condition by approximately 1,300 hours. News and information programming added during this Reporting Period includes new local weekend newscasts at Telemundo's new station in Philadelphia, and an expansion of the morning news from one to two hours each day at Telemundo's New York area station.

#### **4. News and Information Programming Reports**

*Requirement to file quarterly reports regarding the news and information programming aired on the stations that comprise the NBC Owned Television Stations and the Telemundo Station Group divisions:* The Company filed reports with the Commission containing information on the news and information programming aired by the stations that comprise the NBC Owned Television Stations and the Telemundo Station Group divisions during each calendar quarter.<sup>42</sup> The reports were posted and remain available on the Corporate Website, and are also accessible through a link posted on the homepage of each reporting station. While the Condition establishes no target, it is noteworthy that, as detailed in the reports, the stations that comprise the NBC Owned Television Stations and the Telemundo Station Group divisions collectively aired approximately 27,913 hours of news and information programming during 2013, an average of almost 7,000 hours per quarter.

#### **5. Non-Profit News Partners**

*Requirement that half of the 10 stations that comprise the NBC Owned Television Stations division establish cooperative arrangements with locally focused non-profit news organizations:* Attached as Appendices A and B and incorporated by reference are the reports filed on July 29, 2013 and January 28, 2014 pursuant to and reporting compliance with this

---

<sup>42</sup> The reports were filed in MB Docket No. 10-56 on the following dates: April 15, 2013 (first quarter); July 15, 2013 (second quarter); October 31, 2013 (third quarter); and January 15, 2014 (fourth quarter) and are available at <http://corporate.comcast.com/news-information/nbcuniversal-transaction/news-and-information-programming>.

Condition.<sup>43</sup> As required by Condition XI.5.f, copies of both reports were posted and remain available for public viewing on the homepage of each of the 10 stations that comprise the NBC Owned Television Stations division.

## **6. More VOD Choices at No Additional Charge**

*Obligation to continue providing at least 20,000 VOD choices at no additional charge to Comcast customers within three years of the Closing of the Transaction:* The Company has met the three year milestone required by this Condition. During 2013, the total number of VOD choices available at no additional charge to Comcast customers averaged 38,991 a month, nearly doubling the 20,000 choices needed to satisfy the final year-three requirement of this Condition.

## **7. Broadcast Content on VOD**

*Obligation to make available certain broadcast content at no additional charge on Comcast's VOD service for three years after the Closing of the Transaction:* The Company has met the three year milestone required by this Condition. During 2013, Comcast offered an average of 739 VOD broadcast content choices a month (or a cumulative total of about 9,000 choices) to its customers at no additional charge; and Comcast's VOD service continues to be the only VOD service that offers programming from all four major broadcast networks as soon as the day after it airs.

# **XII. JOURNALISTIC INDEPENDENCE**

*Requirement that the Company continue NBCUniversal's policy of journalistic independence:* NBCUniversal's policy of journalistic independence remains in effect and is overseen by David McCormick, NBCUniversal News Ombudsman and Vice President of Standards at NBC News, and supported by Kevin Keeshan, Senior Vice President, News Content and Standards, of the NBC Owned Television Stations division and Osvaldo "Ozzie" Martínez, Telemundo News and Standards. Comcast has likewise adopted a policy to ensure the journalistic independence of the news programming organizations of all NBCUniversal networks and stations.

# **XIII. CHILDREN'S PROGRAMMING**

## **1. Additional Children's VOD and E/I Programming**

a-b. *Requirement to add an additional 500 VOD programming choices appealing to children and families to Comcast's central VOD storage facilities by year-one and an additional 1,000 choices by year-three:* The Company has met the three year milestone required by this Condition. Total children's VOD programming choices during 2013 averaged 6,871 per month. This represents 4,093 more children's VOD choices than the 2,778 average monthly choices

<sup>43</sup> Letters from Lynn R. Charytan, Senior Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56, dated July 29, 2013 and January 28, 2014.

available during the year preceding the Closing of the Transaction. In addition, Comcast has provided its authenticated subscribers with access to most of these additional VOD programs through XfinityTV.com to the extent it had the rights to do so. Comcast also launched its Xfinity TV “Summer of Kids” event to spotlight its substantial library of family-friendly VOD content, along with more than 1,000 downloadable children’s assets.<sup>44</sup>

c. *Obligation to provide one additional hour per week of children’s “core” E/I programming:* As previously reported, all 10 stations that comprise the NBC Owned Television Stations division are airing an additional (fourth) hour of children’s E/I programming every week on their qualifying multicast channels. The Telemundo Station Group is also airing an additional hour of E/I programming every week on each station’s primary channel, and now airs two hours of children’s educational programming on each station’s primary channel on Saturday and Sunday morning, for a total of four hours per week.

## **2. Ratings Icons and Parental Controls**

### **a. Improved Ratings Icons**

*Requirement that the Company provide clear and understandable on-screen TV ratings information for all original entertainment programming on its broadcast and cable networks in compliance with the cable industry’s best-practice standards:* As previously reported, NBCUniversal broadcast and cable networks have implemented the improved ratings icons required by this Condition.

### **b. Improved Parental Controls**

*Requirement that the Company provide improved parental controls for Comcast program guides and STB applications:* As previously reported, Comcast enhanced the functionality of the parental controls in 2011.

### **c. Parental Dashboard**

*Obligation to provide a parental dashboard that places all parental controls in one place, and white listing capabilities on tru2way boxes, by the end of 2013:* The requirements of this Condition have been fulfilled. Comcast’s set top boxes (“STBs”), including tru2way boxes, include a menu-level parental control center where parents can set PIN access to block content based on ratings, channel, or program title. In addition, Comcast offers a VOD folder containing Common Sense Media (“CSM”) rated materials divided into subfolders for different ages. This “whitelisting” feature gives parents the opportunity to find and play age-appropriate, third-party-evaluated content for their children. For ease of access, the VOD folder is also accessible through a channel number on the programming guide.

<sup>44</sup> Press Release, Xfinity TV Delivers Biggest Kids Event Ever (Jul. 1, 2013), <http://corporate.comcast.com/news-information/news-feed/comcasts-xfinity-tv-launches-biggest-kids-event-ever-bringing-parents-and-on-the-go-families-the-best-kids-content-from-top-networks>.



Comcast also launched a parental controls microsite (<http://xfinity.comcast.net/parents/>) to help parents manage what their kids are watching on TV, Online, and on mobile devices. The parental controls microsite provides an abundance of resources to help families make smarter decisions about what is age-appropriate for their children online and on TV, including games, tips, and how-to guides. Families can learn here how to talk about online behavior, explore TV and movie ratings, decide what content is age appropriate, and set controls across a variety of platforms – whether a smartphone, tablet, laptop, computer, or TV. Additionally, the Xfinity To Go app features a dedicated family and kids content section, making it easier than ever for parents to find what they are looking for while on-the-go.<sup>45</sup>

d. Blocking Capabilities of IP-based STBs

*Obligations to provide parental controls and blocking capabilities for IP-based STBs:* Comcast does not currently offer IP-based STBs, so the obligations in this sub-section have not been triggered.

e. Online Ratings Icons

*Obligation to include program ratings information in the Company's produced or licensed programming that the NBCUniversal networks provide to NBC.com, to other NBCUniversal websites, and to Hulu.com:* As previously reported, all of the programming provided by the NBCUniversal networks to NBC.com, other NBCUniversal websites, and Hulu.com includes online program ratings information.

**3. Partnership with Common Sense Media ("CSM")**

*Requirement to expand the Company's partnership with organizations offering enhanced information to help guide family viewing decisions:* The Company continues to use CSM materials as part of its efforts to provide parents with information to help them make educated viewing decisions for their families. CSM content – including thousands of review videos, tip videos, ratings, and recommendations – is integrated into Comcast's VOD service and promoted on XfinityTV.com. Comcast also expanded its partnership with CSM to integrate the organization's TV and movie ratings into the "Kids" section of XfinityTV.com.<sup>46</sup> As Comcast CEO Brian Roberts demonstrated on stage at 2013 The Cable Show, CSM ratings are fully integrated into Comcast's next-generation X2 platform – providing clear, practical information for parents at the point of decision. This platform will allow Xfinity TV customers to filter kids content by age, making it even easier for parents to discover movies and TV shows for their families. It also will provide CSM's ratings across platforms, so parents will have access to the

<sup>45</sup> See <http://xfinity.comcast.net/parents/mobile/>.

<sup>46</sup> S. Jin Davis, *Helping Xfinity Families Make Smart Media Choices this Summer and Beyond* (Jul. 17, 2013), <http://corporate.comcast.com/comcast-voices/helping-xfinity-families-make-smart-media-choices-this-summer-and-beyond>.



information when watching video on the TV, PC, tablet, or smartphone.<sup>47</sup>

In addition, the Company ran close to \$13 million worth of public service announcements (“PSAs”) in support of CSM’s digital literacy project during 2013.

#### **4-5. Interactive Advertising**

*Restrictions on the use of “Interactive Advertising” in programming produced primarily for children:* Comcast and NBCUniversal prohibit the insertion of interactive advertisements into networks or programming produced and transmitted primarily for an audience of children 12 years old or younger.

#### **6. PSAs**

*Requirement that the Company, for five years, provide \$15 million worth of PSAs per year on various public interest topics:* From January 1, 2013 through December 31, 2013, the Company aired PSAs with a value of over \$61 million on the four topics designated by this Condition (digital literacy, parental controls, nutritional guidelines,<sup>48</sup> and childhood obesity) on networks that have a higher concentration than the median cable network of adults 25-54 with children under 18 in the household.<sup>49</sup> This investment exceeds the yearly \$15 million value required by the Condition by more than \$46 million. The Company has aired a cumulative three year total of \$102 million in PSAs on the topics designated by the Condition. These PSAs include NBCUniversal-produced “The More You Know” PSAs on digital literacy, nutritional guidelines, and childhood obesity, as well as PSAs produced by CSM. The 2013 total includes the PSAs on childhood obesity that, as required, aired at least once during each hour of NBC’s “core” educational/instructional (“E/I”) programming, plus an average of two times a day on Sprout.

### **XIV. PEG CONDITIONS**

#### **1. No Migration to Digital Delivery**

*Prohibition on migrating PEG (Public, Educational, and Governmental) channels to digital delivery on any Comcast cable system until the system has converted to all-digital distribution:* During the Reporting Period, Comcast did not migrate any PEG channels to digital delivery on any system that has not converted to all-digital distribution.

---

<sup>47</sup> J. Steyer, *X2: Find the Right Content for Your Family* (Jun. 11, 2013), <http://corporate.comcast.com/comcast-voices/x2-find-the-right-content-for-your-family>.

<sup>48</sup> The Company aired PSAs on the nutritional guidelines promulgated by the U.S. Department of Agriculture.

<sup>49</sup> Qualifying networks were identified using viewership information obtained through The Nielsen Co. and are reviewed on a quarterly basis for changes.

## 2. PEG Carriage on Digital Starter

*Requirement that Comcast carry all PEG channels on its digital starter (D0) tier:* During the Reporting Period, Comcast maintained carriage of all PEG channels on its digital starter (D0) tier or on an equivalent tier that reaches 85% of subscribers on the applicable Comcast system.

## 3. Quality of PEG Delivery

*Prohibition on changing the method of delivery of PEG channels that results in a material degradation of signal quality or impairment of viewer reception:* During the Reporting Period, Comcast did not implement any changes in the method of delivery of PEG channels that resulted in a material degradation of signal quality or impairment of viewer reception.

## 4. PEG Pilot Program

*Obligation to develop a platform to host PEG content on VOD and online:* The three year pilot program required by this Condition was successfully completed in January 2014. Attached as Appendices C and D and incorporated by reference are the July 29, 2013 status report and the January 28, 2014 final report filed pursuant to and reporting on compliance with this Condition.<sup>50</sup> As required by Condition XIV.4.c.vii, copies of those reports were posted and remain available on the Corporate Website.

## XV. NCE and LOCAL NCE

*Requirements with respect to Comcast's carriage of Qualified Noncommercial Educational ("NCE") Stations and Qualified Local Noncommercial Educational ("Local NCE") Stations:* No NCE or Local NCE stations carried on Comcast cable systems relinquished their broadcast spectrum during the Reporting Period.

## XVI. BROADBAND DEPLOYMENT AND ADOPTION

### 1. Broadband Footprint Expansion

#### a. 1,500-mile Expansion

*Requirement that Comcast expand its broadband network by at least 1,500 miles per year for three years and extend its broadband plant to approximately 400,000 additional homes:* The Company has met both of the three year milestones required by this Condition. In 2013, Comcast expanded its existing broadband network by 2,381 miles, surpassing the annual 1,500 mile requirement by 881 miles, and bringing the combined three-year build out total to 6,289 miles or 141% of the 4,500 mile build out required by the Condition. In addition, Comcast extended its broadband plant to 296,744 additional homes in 2013, bringing the cumulative number of additional homes passed to 718,511, and surpassing the 400,000 homes required by Condition by 318,511 homes.

---

<sup>50</sup> See *supra* note 43.

b. Internet Service Upgrades to Rural Communities

*Requirement to upgrade Internet service to at least six additional rural communities in 2011:* As previously reported, Comcast fulfilled this commitment in 2011.

c. Additional Courtesy Accounts

*Requirement to provide an additional 600 Comcast courtesy video and BIAS account locations over three years at a rate of 200 additional locations per year:* The Company has met the three year milestone required by this Condition. In 2013, Comcast provided an additional 240 courtesy video and BIAS accounts to schools, libraries, and other community institutions in underserved areas in which broadband penetration is low and there is a high concentration of low income residents. This brings the combined three year total of qualifying courtesy account services to 664 or 111% of the year-three requirement.

**2. Broadband Adoption – *Internet Essentials*, the Comcast Broadband Opportunity Program**

*Requirement to launch the Comcast Broadband Opportunity Program:* Comcast's commitment to bridging the digital divide is exemplified by the *Internet Essentials* program. As announced on October 29, 2013, *Internet Essentials* has connected an estimated 1 million low-income Americans, or more than 250,000 families, to the Internet at home.<sup>51</sup> Comcast has distributed 27 million brochures in 14 different languages to school districts and community partners, fielded more than 1.5 million phone calls at the *Internet Essential* call center, had 1.2 million visits to the websites, and broadcast more than 2 million PSAs about the program. The company has offered *Internet Essentials* in more than 30,000 schools in 4,000 school districts, and provided tens of thousands of individuals with digital literacy training. The program has also sold 18,000 computers to *Internet Essentials* families.

While the Company's original voluntary commitment was unprecedented, the program has been vastly expanded and fundamentally transformed over the ensuing years. The Company has continued to make core enhancements to the program to ensure that its comprehensive broadband adoption program best reaches – and serves – low-income Americans. These enhancements include:

1. **Expanded Eligibility** – Expanded the eligibility criteria twice, first by extending eligibility to families with children eligible to receive free or reduced price school lunches, and then by including parochial, private, cyberschool, and homeschooled students. As a result, nearly 2.6 million families in the Comcast footprint nationwide are eligible for *Internet Essentials*.

<sup>51</sup> David L. Cohen, *Comcast's Internet Essentials Program Reaches 1 Million Low-Income Americans* (Oct. 29, 2013), <http://corporate.comcast.com/comcast-voices/internet-essentials-1-million-milestone-blog-post>.

2. **Increased Speed** – Increased the broadband speeds for *Internet Essentials* customers to 5 Mbps downstream and 1 Mbps upstream, the second speed increase since launch.
3. **Streamlined Enrollment** – Implemented an instant approval process for families whose students attend any of the Provision 2 or NCES-validated schools with 70% or more NSLP participation across the Comcast footprint.
4. **Created an Online Application Tool** – Created a convenient online request form on [InternetEssentials.com](http://InternetEssentials.com) and [InternetBasico.com](http://InternetBasico.com) in English and Spanish and can be accessed through any Internet-enabled computer, tablet, or smartphone.
5. **Bulk and On-Site Registration** – Launched a program that gives third parties such as schools and community-based organizations the ability to purchase *Internet Essentials* service and equipment in bulk for families in their community. Comcast also held on-site registration during *Internet Essentials* events all over the country.
6. **Introduced *Internet Essentials* Opportunity Cards** – Comcast’s community partners are now able to help connect low-income families to the Internet by purchasing Opportunity Cards that can be used toward the cost of paying for *Internet Essentials* service.<sup>52</sup>
7. **Enhanced e-Learning Tools** – Launched a revamped version of its online Learning Center ([InternetEssentials.com/learning](http://InternetEssentials.com/learning)) to provide families with enhanced and dynamic content, including new interactive content in Spanish.
8. **More Language Options** – Translated several *Internet Essentials* collaterals (e.g., one-page flyer, tri-fold flyer, poster, consumer brochure, and letter to parents) into 12 languages beyond English and Spanish, including: Arabic, Oromo, Somali, Tibetan, Mandarin Chinese, Haitian Creole, Portuguese, Hmong, Korean, Vietnamese, Polish, and Russian.
9. **Easier Account Transfers** – Updated the “transfer of service” process for *Internet Essentials* customers to allow them to have their service transferred to a new home address in a Comcast service area without having to re-apply for *Internet Essentials*.

To further bolster the program’s educational benefits to low-income families, on December 16, 2013, Comcast announced a partnership with Khan Academy that will combine the free, world-class educational content of Khan Academy’s award winning website with the transformative potential of *Internet Essentials*. The commitment includes hundreds of thousands of PSAs, significant digital promotion in both English and Spanish, as well as multiple joint

---

<sup>52</sup> Press Release, Comcast Kicks Off Year Three of *Internet Essentials* Broadband Adoption Program in Washington, D.C. Area and Partners with DC Promise Neighborhood Initiative (Sep. 24, 2013), <http://www.prnewswire.com/news-releases/comcast-kicks-off-year-three-of-internet-essentials-broadband-adoption-program-in-washington-dc-area-and-partners-with-dc-promise-neighborhood-initiative-225025532.html>.

promotion opportunities around the country over the next few years.<sup>53</sup>

On July 31, 2013, Comcast filed its second *Annual Compliance Report on Internet Essentials, the Comcast Broadband Opportunity Program*.<sup>54</sup> As required by Condition XVI.2.1, a copy of the report was made available on the Corporate Website. The report was immediately followed by a promotional campaign to mark the beginning of “Year Three” of *Internet Essentials*, which included back-to-school themed kick-off events in 30 cities, including Atlanta, Chicago, Miami, Philadelphia, and Washington, D.C.<sup>55</sup>

## **XVII. GENERAL**

*Prohibition on the Company entering into any agreement or arrangement or taking any other action that has the purpose or effect of impairing the effectiveness of these Conditions:* The Transaction Compliance Teams and the Company’s internal review process are in place to oversee compliance with this Condition.

## **XVIII. VIOLATIONS**

*Provision stating that any violation of the Conditions shall be a violation of the Transaction Order:* This section is informational only.

## **XIX. REPORTING REQUIREMENTS**

*Requirement that the Company report to the Commission annually regarding compliance with these Conditions and post each such report on its website:* The filing of this Annual Report satisfies this Condition for the third year. A copy is available as of today on the Corporate Website.

---

<sup>53</sup> Press Release, Comcast and Khan Academy Announce Multi-Year, Multi-Million Dollar Partnership to Help Close the Digital and Educational Divide (Dec. 16, 2013), <http://corporate.comcast.com/news-information/news-feed/comcast-and-khan-academy-announce-multi-year-multi-million-dollar-partnership-to-help-close-the-digital-and-educational-divide>.

<sup>54</sup> See Appendix E, Letter from Lynn R. Charytan, Senior Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, FCC, MB Docket No. 10-56, dated Jul. 31, 2013.

<sup>55</sup> Press Release, Comcast Kicks Off Year Three Of Internet Essentials Broadband Adoption Program In Washington, D.C. Area And Partners With DC Promise Neighborhood Initiative (Sep. 24, 2013), <http://www.prnewswire.com/news-releases/comcast-kicks-off-year-three-of-internet-essentials-broadband-adoption-program-in-washington-dc-area-and-partners-with-dc-promise-neighborhood-initiative-225025532.html>.

## XX. TERM

*Provision setting general seven-year term for the Conditions:* This section is informational only.

### **PART TWO: OVERVIEW OF PROGRESS ON VOLUNTARY DIVERSITY COMMITMENTS**

For the past three years, Comcast and NBCUniversal have taken significant steps toward becoming the most successful model of diversity and inclusion in the communications and entertainment industry. To that end, the Company has implemented a comprehensive set of strategic approaches and detailed plans designed to achieve and build upon the diversity and inclusion initiatives contained in the Memoranda of Understanding (“MOUs”) entered into with various national diverse organizations.<sup>56</sup>

Although not required as part of this Annual Report, the Company takes this opportunity to highlight progress on select diversity and inclusion-related initiatives during the Reporting Period.

#### **A. Governance**

The Company continues to fulfill its Governance commitments through the diversity and inclusion governance structure instituted immediately after the Closing of the Transaction and led by David L. Cohen, Comcast’s Comcast Executive Vice President and Chief Diversity Officer. This structure ensures that the Company’s diversity and inclusion initiatives continue to receive top-level oversight, constant and timely feedback from stakeholders, and broad organizational support.

As previously reported, the Company’s external Joint Diversity Advisory Council (“Joint Council”)<sup>57</sup> plays a significant role in advising on the Company’s diversity and inclusion efforts. The Joint Council was actively engaged throughout the Reporting Period, including formal meetings in May and October 2013 attended by Comcast and NBCUniversal leadership. Comcast Chairman and Chief Executive Officer Brian L. Roberts presented at the May meeting and met with various Joint Council members. In addition, members of the Joint Council regularly interact with the Company’s Internal Diversity Councils and corporate-level Diversity

<sup>56</sup> See Appendix G to the *Transaction Order*. These voluntary diversity commitments span the following five key “Focus Areas,” each of which is discussed herein: (1) governance; (2) workforce recruitment and career development; (3) supplier diversity; (4) programming; and (5) community investment and partnerships.

<sup>57</sup> The Joint Council consists of four, nine-member Diversity Advisory Councils representing the interests of African Americans, Asian Americans, Hispanics, and Women, respectively. The Joint Council also has At-Large Members representing other diverse groups, including Native Americans, Veterans, People with Disabilities, and members of the Lesbian/Gay/Bisexual/Transgender (“LGBT”) community.



and Inclusion Groups to share information and consult about ideas for achieving diversity and inclusion goals.

The make-up of the Comcast Board of Directors remains one-third diverse. Comcast is actively engaged in efforts to develop various pipelines for future diverse Board members.

## **B. Workforce Recruitment and Career Development**

The Company continues to build a more diverse, inclusive, and engaged workforce with company-wide initiatives to select, develop, and promote diverse candidates. The Company had across the board increases in people of color and women at the VP+ levels, both in terms of number representation and as a percentage of the total VP+ population. Other initiatives to expand opportunities for diverse candidates include requiring diverse slates at the VP+ level, sponsoring and participating in numerous diversity recruiting events throughout the country, and partnering with colleges and universities to cultivate diverse student pipelines.

In March 2013, the Company announced that it had hired 1,000 veterans since January 2012, achieving its veteran hiring commitment to the U.S. Chamber of Commerce Foundation's "Hiring Our Heroes" initiative almost two years ahead of schedule. To celebrate the achievement, the Company doubled its pledge by committing to hire an additional 1,000 U.S. veterans by 2015.<sup>58</sup> On November 7, 2013, the Company announced that it had achieved the 2,000 veterans mark, again beating its commitment two years ahead of schedule.<sup>59</sup> The Company continues to work to ensure that veterans have access to the wide array of opportunities at Comcast and NBCUniversal.

The Company is also focused on developing diverse talent through leadership, mentoring, and sponsorship programs. To that end, the Company offers approximately 100 internal and external programs, including Comcast's Executive Leadership Career Advancement Program (ELCAP), Comcast Women in Leadership at Wharton, the TEAM NBCUniversal mentoring program, and the Executive Leadership Forum (ELF).

Increasing diversity in front of and behind the camera is a top priority of NBCUniversal and its business units have received leading marks in network and media coalition report cards from the National Latino Media Council (NLMC), National Asian Pacific American Media Coalition (APAMC), the National Association of Black Journalists (NABJ), and MediaMatters.org.

---

<sup>58</sup> Press Release, Comcast and NBCUniversal Double Commitment to "Hiring Our Heroes" (Mar. 6, 2013), <http://corporate.comcast.com/news-information/news-feed/comcast-and-nbcuniversal-double-commitment-to-hiring-our-heroes>.

<sup>59</sup> Press Release, Comcast and NBCUniversal Meet Commitment to Hire 2,000 Veterans Two Years Ahead of Schedule as part of U.S. Chamber of Commerce Foundation's "Hiring Our Heroes" Initiative (Nov. 7, 2013), <http://corporate.comcast.com/news-information/news-feed/comcast-and-nbcuniversal-meet-commitment-to-hire-2000-veterans-two-years-ahead-of-schedule-as-part-of-u-s-chamber-of-commerce-foundations-hiring-our-heroes-initiative>.

The Company continues to build upon NBCUniversal's successful history with Employee Resource Groups ("ERGs") – sponsored workplace groups focused on the needs of individual diverse communities, and offering opportunities for training, mentoring, socialization, support, and community volunteering. The membership of NBCUniversal's ERGs was over 7,000 as of year-end 2013, with some employees belonging to multiple groups. Meanwhile, Comcast continues to build on its 2011 launch of eight pilot affinity groups at its corporate headquarters. As of year-end 2013, Comcast's ERGs had approximately 4,200 members with the goal of expanding the ERGs into the Comcast cable divisions in 2014.

The Company monitors key metrics to assess the effectiveness of its workforce diversity and inclusion efforts. Accountability for diversity and inclusion initiatives and outcomes is reinforced by the involvement of business leaders at all levels of the Company. Measures such as linking merit increases and bonus structures to diversity achievements reinforce the culture of commitment and accountability.

### **C. Supplier Diversity**

The Company continues to build a supplier diversity program that creates sustainable relationships with, and economic opportunities for, diverse suppliers. To that end, the Company spent approximately \$1.25 billion with diverse suppliers in 2013, including Tier I (prime vendors) and Tier II (subcontractors), a 20% increase over 2012. The Company partners with diverse chambers of commerce and business organizations throughout the country and actively targets outreach and capacity-building events at the national, regional, and local levels. In 2013, supplier diversity professionals from across the Company attended dozens of supplier diversity events, including supplier fairs, conferences, and capacity-building events, and business opportunity fairs, panels, and awards ceremonies. The Company also pursues diversity objectives in its purchase of professional services. For example, for the tenth consecutive year, in 2013, Comcast arranged a major credit facility with United Bank of Philadelphia as administrative agent and 11 other Minority Depository Institutions. The Company also continues to participate in the Inclusion Initiative, a coalition of companies dedicated to purchasing legal services from minority and women-owned law firms.

The Company has expanded its efforts to track diverse Tier II spending by its prime suppliers and actively encourages joint ventures, partnerships, and subcontracting with diverse suppliers as methods to create additional business opportunities for diverse vendors.

### **D. Programming**

The Company is committed to delivering programming that reflects the diverse interests of its customers across all platforms, including linear channels, VOD, and Online. As described in the previous annual reports, the Company made significant progress toward meeting virtually all of its diversity programming commitments within the first year following the Transaction by expanding the distribution of diverse networks to millions of homes and featuring hundreds of VOD and Online choices geared toward African American, Asian American, and Hispanic audiences. In 2013, total hours of diverse programming available on VOD and Online increased to over 2,900 combined hours, an increase of 50% as compared to 2012. Comcast has also

launched four new minority-owned or operated diverse networks (ASPiRE, Baby First Americas, El Rey, and REVOLT) and new multicultural programming choices, including Cine Sony Television and Crossings TV.<sup>60</sup> And, as previously mentioned, Comcast expanded its microsite catalog to offer Xfinity customers access to special programming for African American and Asian-Pacific audiences, plus a site dedicated to the legacy of Dr. Martin Luther King, Jr.

#### **E. Community Investment and Partnerships**

In 2013, the Company again increased its year-over-year support of community-based philanthropic organizations helping underserved and diverse communities. The Company is proud to be making the communities it serves stronger by expanding digital literacy, promoting community service, and building tomorrow's leaders. Few initiatives exemplify this commitment better than Comcast Cares Day, the largest single-day corporate volunteer effort in the nation. On April 27, 2013, more than 85,000 volunteers participated in over 750 project sites around the globe, contributing their time and energy to clean up parks, make over schools, and landscape playgrounds. In 2013, the Company hosted its first internal projects in England, France, Germany, Australia, New Zealand, and Singapore. Comcast Cares Day was one of the reasons that Comcast Corporation was ranked among "The Civic 50" by the National Conference on Citizenship, Points of Light Foundation and Bloomberg News. The survey recognizes the leading community-minded companies in the S&P 500.<sup>61</sup>

The Company increased its 2013 cash support of minority-led and minority-serving ("MLMS") organizations by more than 10% over 2012 levels. The Company has also increased its support of organizations offering fellowship, internship, and scholarship programs that support diverse beneficiaries. Substantial support was also given to promote the good work of its diverse partners through PSAs and other media placements, both locally and nationally.

#### **F. Accessibility Initiatives**

In 2013, the Company announced key initiatives to meet the needs of customers with disabilities, including Comcast's launch of a dedicated customer support team for people with disabilities.<sup>62</sup> Customers can contact agents in the new Comcast Accessibility Center of

<sup>60</sup> R. Thomas, *Cine Sony TV to Launch on Comcast Cable* (Oct. 22, 2013), [www.multichannel.com/content/cine-sony-tv-launch-com-cast-cable/146236](http://www.multichannel.com/content/cine-sony-tv-launch-com-cast-cable/146236); Press Release, Crossings TV and Comcast Announce Expanded Carriage on Xfinity TV (Dec. 20, 2012), <http://corporate.comcast.com/news-information/news-feed/crossings-tv-and-comcast-announce-expanded-coverage-on-xfinity-tv>.

<sup>61</sup> Press Release, National Conference on Citizenship, Points of Light and Bloomberg Release 2013 Civic 50 Survey Results; Recognize America's 50 Most-Community Minded Corporations (Dec. 5, 2013), <http://www.civic50.org/Civic50-2013NationalAnnouncement-12-5-2013.pdf>.

<sup>62</sup> See Comcast Debuts Accessibility Support Team and Product Lab. <http://corporate.comcast.com/news-information/news-feed/comcast-debuts-new-accessibility-offerings-during-national-disability-awareness-month>.

Excellence, who are specially trained on all things related to Comcast accessibility, for help with these and other general support issues. In addition, Comcast's newly-launched Accessibility Product and Development Lab is both a workshop for the development of accessible products and features, and a showcase of assistive technologies for mainstream mobile, online and desktop user interfaces. Comcast also is using the lab to educate employees and for usability testing with people with disabilities to learn more about how customers can use our services.

### **G. Catalyst Fund**

Comcast Ventures' Catalyst Fund (formerly the Opportunity Fund) continues to offer impactful opportunities for minority entrepreneurs. In 2013, Comcast Ventures renewed its partnership with DreamIt Ventures, a leading technology accelerator program, to fund minority entrepreneur accelerator program DreamIt Access.<sup>63</sup> Participating start-up companies received seed funding and had access to DreamIt Venture's benefits and services, including business talent, legal and accounting services, mentoring, office space, guidance from leading business visionaries, and contacts to reach the next level of development. Through the DreamIt Access partnership, DreamIt and Comcast have successfully sponsored 20 minority-led startups since 2011, the vast majority of which are still operating. Most of these companies are focused on web and mobile technologies. The Catalyst Fund is making follow-on investments in some of the DreamIt Access companies, as well initial investments in other early-stage ventures led by diverse entrepreneurs with innovative technology ideas and solutions that fit within the sectors of Consumer, Enterprise, and Mobile.

---

<sup>63</sup> Press Release, DreamIt Ventures and Comcast Ventures Sign Two-Year Partnership to Support Minority-Led Startups in New York and Philadelphia (Jan. 20, 2014), <http://www.dreamitventures.com/nyc2014announcement/>.

## Appendix A

---

# **NBCUniversal Non-Profit News Partners Progress Report**

*July 29, 2013*

Transaction Compliance Report

MB Docket No. 10-56



July 29, 2013

To the Federal Communications Commission:

This report provides the information required by Condition XI.5.f of Appendix A (the “Condition”) to the *Transaction Order*<sup>1</sup> regarding NBCUniversal’s non-profit news partnership arrangements.

Table of Contents

Background.....	2
Update on the News Partnerships	
NBC 4 New York and ProPublica .....	2
NBC 5 Chicago and <i>The Chicago Reporter</i> .....	3
NBC10 Philadelphia and WHYY .....	5
NBC4 Southern California and KPCC .....	6

Online Copy

A copy of this report is available on the websites maintained by each of the stations that comprise the NBCUniversal Owned Television Stations division (e.g. [www.nbcchicago.com](http://www.nbcchicago.com)).

<sup>1</sup> *In the Matter of Applications of Comcast Corporation, General Electric Company, and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees*, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (as amended by an Erratum released on March 9, 2011) (*Transaction Order*).



## Background

As required by the Condition, and as previously reported, four of the 10 stations in the NBCUniversal Owned Television Stations division (“NBCOTS”) have established and maintain cooperative arrangements with locally-focused, non-profit news organizations: NBC 4 New York and ProPublica; NBC 5 Chicago and *The Chicago Reporter*; NBC10 Philadelphia and WHYY; and NBC4 Southern California and KPCC – Southern California Public Radio. These continuing agreements, plus the ongoing relationship between NBC 7 San Diego and the Voice of San Diego, mean that half of the NBCOTS stations have news partnership agreements in place.<sup>2</sup>

Collaborations between the stations’ news departments and the non-profit partners involve sharing data, research, and investigative resources. These partnerships have resulted in at least two dozen investigations, and have generated dozens of on-air and online news reports for the stations, as well as on the partners’ radio stations and websites. Examples of the collaborations occurring during the reporting period are detailed below.

## NBC 4 New York and ProPublica

NBC 4’s partnership with ProPublica continues to generate compelling investigative reports. ProPublica regularly briefs NBC 4 staff on upcoming investigations so that NBC 4 and the other NBCOTS stations can prepare companion reports. For its part, NBC 4’s investigative unit, the I-Team, has contributed investigative resources and know-how to bolster ProPublica’s investigations. For example, as detailed below, NBC 4 reporter Chris Glorioso contributed his expertise with New Jersey’s Open Public Records Law to help ProPublica obtain copies of New Jersey Department of Labor and Workforce Development enforcement actions for a story on day-labor abuses.

## Collaboration in Practice

*Pipeline Safety.* In February 2013, the I-Team interviewed New York City residents who were concerned about the installation of a new natural gas pipeline in a densely populated section of Manhattan. The report cited statistics obtained from a ProPublica database that tracks significant pipeline incidents in the United States, including the age of the pipeline, the reason it broke, and if anyone was killed or injured. The story aired on the 11:00PM newscast on February 19, 2013 and during the 5:00PM newscast on the following day. An online version of the report featuring video of the full segment and links to the ProPublica pipeline safety database was featured on NBCNewYork.com.<sup>3</sup>

*Pharmaceutical Companies’ Payments to Doctors.* Using ProPublica’s database of pharmaceutical company payouts to medical professionals, NBC 4 found that some of the

<sup>2</sup> As previously reported, the NBCUniversal owned station in Miami-Ft. Lauderdale, NBC 6 South Florida, has partnered with the non-profit Florida Center for Investigative Reporting (FCIR) to enhance the station’s local investigative reporting capabilities. The first joint investigative story on boating safety ran on the 11:00PM newscast on NBC 6 on April 29, 2013 and was posted on the NBC 6 and FCIR websites on April 30, 2013. See Mc Nelly Torres and FCIR, *After Increase in Boater Deaths in Florida, A Look at Boating Regulations*, <http://www.nbcmiami.com/investigations/After-Increase-in-Boater-Deaths-in-Florida-A-Look-At-Boating-Regulations-204924341.html> (Apr. 30, 2013); FCIR, *Visualized: Boating Accidents in Florida, 2011*, <http://fcir.org/2013/04/30/visualized-boating-accidents-in-florida-2011/> (Apr. 30, 2013).

<sup>3</sup> C. Glorioso and T. Burke, *I-Team: Pipeline Safety Problems Worry West Village Residents*, <http://www.nbcnewyork.com/news/local/Natural-Gas-Pipeline-Accident-Explosion-Concerns-New-York-City-West-Village-191739921.html> (Feb. 20, 2013).

New York doctors who write the most Medicaid prescriptions are also compensated for giving promotional talks for pharmaceutical companies – including the manufacturers of some of drugs they prescribe. The story aired on March 17, 2013 during the 11:00PM newscast and the following day during the 5:30PM newscast.<sup>4</sup> The on-air segments were accompanied by web stories offering more detail as well as links to ProPublica's databases.<sup>5</sup>

*Disciplining Prosecutors.* I-Team reporter Chris Glorioso collaborated with ProPublica on a report examining the incidence of disciplinary actions for prosecutorial misconduct in the Bronx District Attorney's Office. I-Team and ProPublica investigators found only one instance where an Assistant District Attorney was seriously disciplined despite wrongfully convicting an innocent person. The story aired on the 5:00PM newscast on April 8, 2013.<sup>6</sup>

*Day Labor Abuses.* In June 2013, I-Team reporter Chris Glorioso collaborated with ProPublica on a report revealing temporary employment agencies that have been fined for failing to pay their laborers. The story exposed agencies that have been repeatedly fined for failing to pay laborers for entire days of work, as well as the fact that some of the region's largest day-labor employment agencies routinely charge their own temporary employees for transportation and supplies needed to access worksites. The story is scheduled to air soon on NBC 4.

### **NBC 5 Chicago and *The Chicago Reporter***

NBC 5 and *The Reporter* continue to explore new ways to assist each other's investigations. For instance, NBC 5 has used NBCChicago.com to highlight *The Reporter* stories which did not have a visual component conducive to an on-air piece, but which nevertheless deserve the enhanced attention and coverage that the partnership provides.<sup>7</sup>

### **Collaboration in Practice**

*Jail Sentences for Non-Violent Felonies.* NBC 5 partnered with *The Reporter* on a story related to the paper's investigation of the increasingly harsh sentences being imposed for some non-violent felonies, and the resulting costs of incarcerating Chicagoans convicted of those charges. *The Reporter* analyzed these costs and plotted them geographically in order to look at sentencing rates for individual Chicago neighborhoods. NBC 5 reporter Dick Johnson interviewed ex-convicts, activists, and criminologists about the multi-billion dollar cost of keeping non-violent offenders behind bars, and how some of that money

<sup>4</sup> NBC Video: <http://www.nbcnewyork.com/video/#!/on-air/as-seen-on/I-Team-Examines-Big-Pharma-Money-to-Docs/198710491>; NBC Video: <http://www.nbcnewyork.com/video/#!/on-air/as-seen-on/I-Team-Examines-Big-Pharma-Money-to-Docs/198710491>

<sup>5</sup> C. Glorioso and T. Burke, I-Team Examines Pharmaceutical Company Payments to Doctors, <http://www.nbcnewyork.com/investigations/Dollars-for-Docs-Drug-Companies-Doctors-Money-Pharmaceutical-ProPublica-198698641.html> (Mar. 18, 2013).

<sup>6</sup> C. Glorioso and T. Burke, I-Team: NYC Prosecutors Rarely Punished When Convictions Crumble, <http://www.nbcnewyork.com/news/local/Prosecutors-Punished-Wrongful-Convictions-NYC-District-Attorneys-201827511.html> (Apr. 8, 2013).

<sup>7</sup> NBC 5 has continued to collaborate with the Better Government Association (BGA), a long-established non-profit watchdog that investigates allegations of waste, fraud, and corruption in local and state government. See, e.g., P. Rogers, Jesse White: Zero Tolerance for Cops, Booze, <http://www.nbcchicago.com/investigations/illinois-secretary-state-jesse-white-uniform-police-alcohol-192634871.html> (Apr. 1, 2013).

might be better spent on crime prevention and job creation. NBC 5 aired and promoted the story on March 4, 2013 during its 10:00PM newscast and published an accompanying online article linking to *The Reporter's* own story.<sup>8</sup>

*Human Trafficking.* *The Reporter* provided assistance for the latest in a series of NBC 5 anchor/reporter Marion Brooks' stories on human trafficking. *The Reporter* analyzed sentencing data which demonstrated that charges for prostitution-related felonies are brought almost exclusively against sex workers, and not their patrons, though the prostitutes are sometimes found to be themselves victims of human trafficking. NBCChicago.com published an online article and video discussing *The Reporter's* findings concerning prostitution-related felonies and arrests.<sup>9</sup> The story aired on NBC 5's 10:00PM newscast on June 20, 2013.

*Mandatory Sentences for Gun Violations.* In another investigation, *The Reporter* looked at one state legislator's proposal to increase mandatory sentences for gun violations. *The Reporter* story estimated that the cost to taxpayers would have increased by \$780 million over the last decade if the harsher sentences had been in place. NBC 5's Dick Johnson interviewed experts on both sides of the issue for an on-air version of *The Reporter's* investigation. The story was aired and promoted on May 10, 2013 during NBC 5's 10:00PM newscast, and the station published an accompanying online article on NBCChicago.com which also linked to *The Reporter's* story.<sup>10</sup>

*Deportation of Undocumented Workers.* A *Reporter* investigation revealed that thousands of Chicago-area undocumented workers are being deported with no opportunity to appear in immigration court, mainly because they had previous deportation orders. For that story, NBC 5 posted a companion article online, highlighting the investigation and pointing viewers to the full story in *The Reporter's* latest issue.<sup>11</sup>

*Shootings in Chicago.* NBC 5 highlighted an analysis done by *The Reporter* showing that more than half of all the shootings in Chicago in 2012 involved people younger than 25 as the shooter, the victim, or both. The NBC 5 online story posted on January 30, 2013 directed readers to *The Reporter's* analysis.<sup>12</sup>

<sup>8</sup> D. Johnson and K. Smyser, Taxpayers Spent \$5.3B in Last Decade to Lock Up Chicagoans, <http://www.nbcchicago.com/investigations/nbc-chicago-reporter-cost-incarceration-195116091.html> (May 10, 2013).

<sup>9</sup> M. Brooks, The World of Human Trafficking: One Woman's Story, <http://www.nbcchicago.com/investigations/human-trafficking-alex-campbell-192415731.html> (Feb. 22, 2013).

<sup>10</sup> D. Johnson, Sentencing Bill Could Cost Taxpayers \$760 Million Over 10 Years, <http://www.nbcchicago.com/investigations/Gun-Sentencing-Bill-Could-Cost-Taxpayers--206993491.html> (May 10, 2013).

<sup>11</sup> NBC 5 Investigates: Thousands Deported with No Court Hearing, <http://www.nbcchicago.com/investigations/Thousands-Deported-With-No-Court-Hearing-205977911.html> (May 3, 2013).

<sup>12</sup> K. Smyser, Youth Involved in Majority of Chicago Murders: Report, <http://www.nbcchicago.com/news/local/Youth-Involved-in-Most-Chicago-Murders-Report-189072791.html> (Apr. 1, 2013).

*Collaboration with ProPublica.* Tailoring ProPublica's data to the local market, NBC 5 looked at the Chicago area doctors who have received the most money from pharmaceutical companies in the past few years, and found doctors taking hundreds of thousands of dollars in fees from companies whose drugs they may then prescribe to their patients. The story ran and was promoted on May 15, 2013 during NBC 5's 10:00PM newscast, along with a companion article on NBCChicago.com that included ProPublica's "Dollars for Docs" search widget and a link to ProPublica's website for viewers seeking further information on their own doctors.<sup>13</sup>

### **NBC10 Philadelphia and WHYY**

NBC10 and WHYY continue crosslinking investigative and general news content on their respective websites, NBCPhiladelphia.com and WHYY's NewsWorks.org. NBC10 now posts an average of two NewsWorks.org stories directly on its website each day, rather than simply linking back to WHYY's site. NewsWorks.org reports were even featured on NBCNews.com, the homepage of NBC News and one of the leading online news sites.<sup>14</sup>

Links embedded in the byline and in the body of the article drive readers back to NewsWorks.org,<sup>15</sup> which received thousands of referrals from NBCPhiladelphia.com during the reporting period. Daily postings also ensure that NBCPhiladelphia.com visitors benefit from timely access to WHYY's in-depth reports.<sup>16</sup> The content partnership extends to social media, where WHYY and NBC10's respective Twitter accounts (@NewsWorksWHYY and @NBCPhiladelphia) frequently re-tweet updates and story links, including NBC10's live news coverage.



In addition, NBC10 will be promoting NewsWorks.org content on its on-air reports in order to increase the audience for the NewsWorks.org site.

<sup>13</sup> K. Smyser and N. Kwan, Docs Paid Thousand to Promote Drugs They Prescribe, <http://www.nbcchicago.com/investigations/doctors-prescription-drugs--207652001.html> (May 15, 2013).

<sup>14</sup> See, e.g., T. Samuelson, NewsWorks.org, Decision Expected in Much-Watched NJ Dune Case, [http://www.nbcnews.com/id/52419035/ns/local\\_news-philadelphia\\_pa/t/decision-expected-much-watched-nj-dune-case/#.UegJKtJN-So](http://www.nbcnews.com/id/52419035/ns/local_news-philadelphia_pa/t/decision-expected-much-watched-nj-dune-case/#.UegJKtJN-So) (Jul. 8, 2013).

<sup>15</sup> See, e.g., P. Gregory, Most N.J. Voters Disagree with Christie on Setting Oct. Senate Election, <http://www.nbcphiladelphia.com/news/local/Most-NJ-Voters-Disagree-With-Christie-on-Setting-Oct-Senate-Election-211419741.html> (Jun. 13, 2013).

<sup>16</sup> B. Hickey and M. Grady, NewsWorks.org, Radar Gun Finds Dangerous Driving Near Area Schools, <http://www.nbcphiladelphia.com/news/local/Radar-Gun-Finds-Dangerous-Driving-Near-Area-Schools-210563411.html> (Jun. 17, 2013).

## NBC4 Southern California and KPCC

NBC4 supports Southern California Public Radio's KPCC radio station through producer and talent resources, material acquired in the field, and both on-air and online promotion. While there are formal arrangements – such as shared coverage of the Los Angeles Mayoral Debate – NBC4 and KPCC also collaborate on “day-of” and breaking news as the stations exchange information they uncover during the course of daily newsgathering, especially on big stories. NBC4 also helps KPCC augment its live coverage of breaking news with NBC4 reporters providing frequent on-air reports for KPCC's listeners.

### Collaboration in Practice

*Campaign Contributions for Los Angeles Mayoral Candidates.* NBC4 and KPCC collaborated on an analysis of campaign contributions by movie studios to Los Angeles mayoral candidates. The report aired January 10, 2013 on both KPCC and NBC4 and a video was posted to the NBC4 website the next day.<sup>17</sup>

*Dorner Manhunt.* NBC4 worked closely with KPCC on the coverage of the manhunt for former LAPD officer Christopher Dorner. Shortly after the story broke, KPCC and NBC4 sent Freedom of Information Act (FOIA) requests to various public agencies for records pertaining to those singled out as potential targets in Dorner's highly publicized “manifesto,” his military background, and information about his weapons. KPCC transmitted NBC4's coverage for most of the afternoon when Dorner was finally spotted and ultimately killed in a police firefight. Joint coverage began airing on February 6, 2013, continuing through February 15, 2013, while the first story produced in collaboration with KPCC aired on February 7, 2013.<sup>18</sup> On February 9 and 10, 2013, NBC4's reporter Jacob Rascon provided live reports to KPCC from Big Bear, CA, where authorities had assembled a command post.<sup>19</sup>

*Los Angeles Mayoral Race.* NBC4 teamed up with KPCC to simulcast the Mayoral Primary Debate which aired live from 7:00PM to 8:00PM on January 28, 2013.<sup>20</sup> This led to a full partnership for the April debate between the two remaining Mayoral candidates. NBC4's Conan Nolan moderated the debate, while Frank Stoltz of KPCC was a member

<sup>17</sup> S. McNary, Garcetti, Greuel Get Most Show Biz Donations in Mayor's Race, <http://www.scpr.org/blogs/politics/2013/01/10/11939/hollywood-gives-big-l-mayors-race> (Jan. 10, 2013); NBC4 Video: <http://www.nbclosangeles.com/video/#!/on-air/as-seen-on/Hollywood-Pours-Campaign-Contributions-Into-LA-Mayors-Race/186544921>.

<sup>18</sup> L. Brenner and E. Zassenhaus, LAPD Manhunt: Profiles of Wanted Murder Suspect Christopher Donner, Shooting Victims, <http://www.scpr.org/blogs/news/2013/02/07/12459/lapd-manhunt-profiles-of-wanted-murder-suspect-chr/> (Feb. 7, 2013); NBC4 Video: <http://www.nbclosangeles.com/video/#!/on-air/as-seen-on/Ex-LAPD-Officer-Threatens-Former-Colleagues-in-Manifesto--Police/190154991>.

<sup>19</sup> KPCC Staff, LAPD Manhunt: No Sign of Donner in Big Bear; Riverside Mourns; Search Continues, <http://www.scpr.org/news/2013/02/07/35875/lapd-manhunt-veteran-riverside-officer-shot-dead-2/> (Feb. 7, 2013); NBC4 Video: <http://www.nbclosangeles.com/video/#!/on-air/as-seen-on/Search-Continues-in-Big-Bear-for-Dorner/190623281.com/video/#!/on-air/as-seen-on/Search-for-Christopher-Dorner-Scaled-Back-in-Big-Bear-Lake/190638511>.

<sup>20</sup> NBCLosAngeles.com, Watch: Los Angeles Mayoral Debate, <http://www.nbclosangeles.com/news/local/Watch-Live-KPCC-Los-Angeles-LA-Mayoral-Debate-190124921.html> (Feb. 6, 2013).

of the panel. The two stations, along with Telemundo's Los Angeles station, KVEA, collaborated on the editorial content of the debate, which aired April 22, 2013 at 7:00PM.<sup>21</sup>

*Powerhouse Fire.* Several NBC4 reporters provided coverage to KPCC of a major fire just North of Los Angeles for KPCC. KPCC also linked to NBC4 coverage of the fire.<sup>22</sup>

---

<sup>21</sup> NBC4 Video: <http://www.nbclosangeles.com/video/#!/on-air/as-seen-on/LA-Mayoral-Debate--Part-1/204385591> (Apr. 23, 2013).

<sup>22</sup> KPCC & Wires, Updated: Powerhouse Fire has Burned 1,800 Acres; Evacuations Ordered, <http://www.scpr.org/blogs/news/2013/05/31/13849/powerhouse-fire-overnight-evacuations-ordered-after/> (May 31, 2013).



## Appendix B

---

# **NBCUniversal Non-Profit News Partners Progress Report**

*January 28, 2014*

Transaction Compliance Report

MB Docket No. 10-56



January 28, 2014

This report provides the information required by Condition XI.5.f of Appendix A (the “Condition”) to the *Transaction Order*<sup>1</sup> regarding NBCUniversal’s non-profit news partnership arrangements during the six month period that began on July 29, 2013 and ended on January 28, 2014 (the “Reporting Period”).

Table of Contents

Background..... 2

Update on the News Partnerships

    NBC 4 New York / WNBC and ProPublica ..... 2

    NBC 5 Chicago / WMAQ and *The Chicago Reporter*..... 3

    NBC10 Philadelphia / WCAU and WHYY..... 4

    NBC4 Southern California / KNBC and KPCC ..... 5

    NBC 6 South Florida / Florida Center for Investigative Reporting..... 6

Online Copy

A copy of this report is available on the websites maintained by each of the stations that comprise the NBC Owned Television Stations division (e.g. <http://www.nbcnewyork.com>).

<sup>1</sup> In the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (as amended by an Erratum released on March 9, 2011) (Transaction Order).

## Background

As required by the Condition, and as previously reported, four of the 10 stations in the NBCUniversal Owned Television Stations (“NBCOTS”) division have established and maintain cooperative arrangements with locally-focused, non-profit news organizations: NBC 4 New York and ProPublica; NBC 5 Chicago and *The Chicago Reporter*; NBC10 Philadelphia and WHYY; and NBC4 Southern California and KPCC – Southern California Public Radio. These continuing agreements, plus the ongoing relationship between NBC 7 San Diego and the Voice of San Diego, mean that half of the NBCOTS stations have news partnership agreements in place. In addition, the NBC-owned station in Miami-Ft. Lauderdale, NBC 6 South Florida, has partnered with the non-profit Florida Center for Investigative Reporting to enhance the station’s local investigative reporting capabilities.

Collaborations between the stations and the non-profit partners – which involve sharing data, research, and investigative resources, as well as production assistance – have resulted in over 40 investigations since the launch of the partnerships, and have generated dozens of on-air and online news reports for the stations, as well as on the partners’ radio stations and websites. Key collaborations during the Reporting Period are described below.

## NBC 4 New York / WNBC and ProPublica

NBC 4’s partnership with ProPublica continues to generate compelling investigative reports. ProPublica regularly briefs NBC 4 staff on upcoming investigations so that NBC 4 and the other NBCOTS can prepare companion reports.

## Collaboration in Practice

*Temp Agency Labor Abuses.* As previewed in the July 2013 news partnerships report,<sup>2</sup> NBC 4’s i-Team partnered with ProPublica’s Michael Grabell to investigate temporary employment agencies that fail to pay employees. Using New Jersey’s Open Records law, NBC 4 uncovered hundreds of thousands of dollars in fines levied on “temp” agencies for wage violations during 2011 and 2012. The investigation found that the biggest penalties had been assessed on a “blue collar” staffing agency called True Blue for, among other things, contributing to the death of a garbage collection worker who died from complications caused by heat exhaustion. The nationwide investigation into the treatment of temp workers by Mr. Grabell provided excellent context for the local story which aired on the NBC 4 newscast on July 17, 2013 at 5:00 PM and was followed by an online companion piece.<sup>3</sup>

*Unethical Prosecutors.* NBC 4 continued to develop stories based on its April 2013 joint investigation with ProPublica regarding the abuse of prosecutorial power. NBC 4 reported the story of another victim, David McCallum, who at age 16 was convicted of a botched car-jacking and was sentenced to life in prison. Recently discovered DNA evidence not only exonerated Mr. McCallum but also called into question whether the detectives and

<sup>2</sup> Some of the stories described in this report aired during the last weeks of the reporting period that ended in July 2013, but were not included in the previous report.

<sup>3</sup> C. Glorioso, i-Team: Temp Agencies Stiff Employees, Face Fines (Jul. 22, 2013), <http://www.nbcnewyork.com/investigations/Temp-Workers-Pay-Laborers-Department-of-Labor-Fines-216176991.html>.

prosecutors who worked may have forced McCallum to make a false confession. Mr. McCallum's story aired on July 21, 2013 on the 11:00 PM newscast.<sup>4</sup>

*Sober Homes.* NBC 4 partnered with ProPublica to conduct an in-depth investigation into an apparent kickback scheme whereby one of the busiest drug outpatient clinics in New York inflated the Medicaid bills of "sober home" tenants by requiring them to attend unnecessary appointments. Recovering addicts told i-Team investigators that they were threatened with eviction from the sober home if they did not bring back tickets showing they had swiped their Medicaid benefits card at the outpatient clinic. Since the original story, New York state auditors launched a surprise inspection of the addiction clinic which gets most of its clients from the sober home. The investigation aired on the NBC 4 newscast on October 9, 2013 at 5:00 PM.<sup>5</sup>

### **NBC 5 Chicago / WMAQ and *The Chicago Reporter***

*The Reporter* continues to take advantage of NBC 5's online presence to expand the number of stories in collaboration, particularly the online companion pieces. NBC 5 also takes advantage of the NBCOTS' partnership with ProPublica, airing stories based on ProPublica data and investigations. In addition, NBC 5 has continued to collaborate with the Better Government Association (BGA), a non-profit watchdog that investigates allegations of waste, fraud, and corruption in local and state government.

### **Collaboration in Practice**

*Chicago Housing Authority.* The investigation focused on the Chicago Housing Authority (CHA)'s use of vouchers to place residents in non-CHA units. *The Reporter's* Angela Caputo examined building inspections for hundreds of CHA-subsidized apartments and found a high level of substandard housing. NBC 5 reporter and anchorwoman Marion Brooks profiled one such resident who experienced difficulties with her subsidized housing. The report aired on NBC 5's 5:00 PM newscast on September 11, 2013. NBC 5 also published a companion online article which linked back to investigation on *The Reporter's* website.<sup>6</sup>

*Pilsen.* *The Reporter's* September/October edition examined the changing face of Pilsen, one of Chicago's historic Latino neighborhoods, as community leaders grapple with increased gentrification and its effect on long-time residents. NBC 5 investigative reporter Chris Coffey conducted an extensive on-air interview with one community leader who outlined these challenges. The report aired on NBC 5's 6:00 PM newscast on October 4,

<sup>4</sup> C. Glorioso, i-Team: Questions Linger About 1985 Murder Confession (Jul. 22, 2013), <http://www.nbcnewyork.com/news/local/Questions-1985-Murder-Confession-Queens-David-McCallum-I-Team-216239471.html>.

<sup>5</sup> C. Glorioso, i-Team: Addiction Clinic Accused of Inflating Medicaid Bills, Again (Oct. 9, 2013), <http://www.nbcnewyork.com/news/local/I-Team--Addiction-Clinic-Accused-of-Inflating-Medicaid-Bills-Again-227122721.html>.

<sup>6</sup> M. Brooks, CHA Funds Pouring into Substandard Housing (Sep. 11, 2013), <http://www.nbcchicago.com/investigations/CHA-Pouring-Funds-Into-Substandard-Housing-223384741.html>.

2013.<sup>7</sup> NBC 5's coverage received a lot of attention in Spanish-language media and was shared over 765 times on Facebook.

*Dismissed Criminal Cases.* *The Reporter's* Angela Caputo authored the newspaper's November/December cover-story investigation into the high dismissal rate of criminal prosecutions in the Cook County court system. After an extensive analysis of all misdemeanor cases filed in Cook County, Caputo concluded that more than eight out of every 10 misdemeanor cases are dismissed almost immediately after being filed. She estimated the costs of arresting, prosecuting, and detaining all of the defendants whose cases were ultimately dismissed at about \$100 million a year. NBC 5 reporter Chris Coffey reported Caputo's findings NBC 5's 10:00 PM newscast on November 8, 2013.<sup>8</sup>

*Cook County Highway Department Shutdown.* NBC 5 and the BGA collaborated on a story about a computer virus that infiltrated the computer systems of the Cook County Highway Department. The virus caused a massive shutdown which lasted days and required a significant amount of money to repair. That story, reported by NBC 5 Investigates' Phil Rogers, aired on the NBC 5 10:00 PM newscast on Thursday, July 25, 2013.<sup>9</sup>

*Police Beating in Davenport, Iowa.* NBC 5 investigated a videotape of an alleged police beating in Davenport, Iowa, which the BGA had obtained exclusively. NBC 5's Chris Coffey reported the story, which aired on the Monday, August 5, 2013 newscast at 10:00 PM.<sup>10</sup>

### **NBC10 Philadelphia / WCAU and WHY**

NBC 10 Philadelphia and WHY continue to focus their partnership on cross-promoting content. Over the course of a month, as many as 40 articles from WHY's Newsworks.org website are showcased on NBC10.com, while a dozen or so WHY stories are promoted on-air during NBC 10's afternoon shows. That promotion includes a description of each WHY piece as well as an explanation that it is from NBC 10's "partners at Newsworks.org." In addition, NBC10.com promotes Newsworks.org content on social media. Other efforts to promote WHY content include free ads for Newsworks.org on NBC10.com and in NBC 10's email newsletters.

### **Additional News Partnerships**

Similar to what the station does with Newsworks.org, NBC10.com also features and promotes content from AxisPhilly.org, a non-profit news and information organization

<sup>7</sup> C. Coffey, Pilsen Struggles to Maintain Mexican Identity (Oct. 4, 2013), <http://www.nbcchicago.com/news/local/Mexicans-Migration-Away-From-Pilsen-Worries-Some-226521461.html>.

<sup>8</sup> C. Coffey, Cook County Spends Millions on Cases that Go Nowhere (Nov. 9, 2013), <http://www.nbcchicago.com/news/local/Cook-County-Spends-Millions-on-Cases-That-Go-Nowhere-231206651.html>.

<sup>9</sup> P. Rodgers and K. Smyser, Virus Causes Massive Shutdown at Cook County Highway Department (Jul. 25, 2013), <http://www.nbcchicago.com/investigations/Virus-Causes-Massive-Shutdown-at-Cook-County-Highway-Department-217025381.html>.

<sup>10</sup> Video Shows Male Davenport Cop Beating Female Shoplifter in Iowa (Aug. 5, 2013), <http://www.nbcchicago.com/investigations/davenport-iowa-police-beating-peraica-218422791.html>.

funded in part through a grant from the William Penn Foundation. In addition, NBC10.com has been pursuing journalistic partnerships with other non-profit organizations including Planphilly.com and philadelphianeighborhoods.com. NBC10 hopes to launch those partnerships early in 2014.

### **NBC4 Southern California / KNBC and KPCC**

NBC4 continues to benefit from KPCC's ability to amass and analyze data to supplement its investigations, while KPCC continues augment its live coverage of breaking news with NBC4 reporters providing frequent on-air reports for KPCC's listeners.

### **Collaboration in Practice**

*Pothole Payouts.* A joint investigation by KPCC and NBC4 found that the city of Los Angeles rarely approves claims seeking compensation for damage caused by potholes, and that the claims process seems stacked against people seeking money. Through a public records request, NBC4 and KPCC obtained a database showing the number of claims made by LA drivers, and the disposition of those claims. The data showed that the city rejected over 90% of all claims filed over the past 10 years and paid out a little more than \$300,000 on \$5 million-worth of damage claims filed every year. The story also presented the ordeal that drivers had to go through before being compensated. The joint report aired on October 7 and 8, 2013 on both NBC4 and on KPCC, and also appeared on both partners' websites.<sup>11</sup>

*Senator Calderon Investigation.* NBC4 and KPCC worked together on the investigation into allegations that State Senator Ron Calderon accepted more than \$60,000 in bribes. After Al Jazeera America reported on a leaked document tied to that case, KPCC was able to independently confirm the authenticity of that document.<sup>12</sup>

*Live Coverage.* NBC4 often provides live reports to KPCC on breaking news stories, including live coverage of the LAX airport shooting,<sup>13</sup> and the arrest of a suspect in a string of threats concerning local schools, a hospital, and a shopping mall.<sup>14</sup>

<sup>11</sup> J. Grover and P Drechsler, City Dodges Pothole Payouts (Oct. 10, 2013), <http://www.nbclosangeles.com/investigations/series/dodging-pothole-payouts/City-Dodges-Pothole-Payouts-226843651.html>; F. Stoltze, Pothole Damage: LA Approves Only 10% of Claims; How You Can File One (Oct. 8, 2013), <http://www.scpr.org/blogs/politics/2013/10/08/14931/la-rarely-approves-pothole-damage-claims-is-the-pr/>.

<sup>12</sup> C. Cocca and C. Nolan, Officials Call for Sen. Ron Calderon's Resignation (Nov. 13, 2013), <http://www.nbclosangeles.com/news/local/officials-demand-sen-ron-calderon-resign-231833921.html>.

<sup>13</sup> LAX shooting: Suspect, Slain TSA Officer ID'd, 7 Injured in Terminal 3 (updates) (Nov. 1, 2013), <http://www.scpr.org/news/2013/11/01/40151/incident-prompts-evacuation-at-lax-terminal/>.

<sup>14</sup> LA Man Charged with Making Threats to Schools, Hospitals (Sep. 19, 2013), <http://www.scpr.org/news/2013/09/19/39375/la-man-charged-with-making-school-threats/>



### **NBC 6 South Florida / WTVJ and FCIR**

The recent partnership between NBC 6 South Florida and the Florida Center for Investigative Reporting (FCIR) produced the following stories during the Reporting Period:

*Unlicensed Dentists.* After the FCIR collected data on the number of complaints against local dentists, NBC 6 reported on the number of unlicensed dentists, including one who mistreated several of his young patients. The report aired on November 19, 2013.<sup>15</sup>

*School Truancy.* On November 25, 2013, NBC 6 aired an investigative report on the problem of school truancy in South Florida. FCIR assisted the report by collecting school truancy data for the South Florida region.<sup>16</sup>

---

<sup>15</sup> D. Gonzalez, Dental Practice Closed after Patient Abuse Allegations (Nov. 19, 2013), <http://www.nbcmiami.com/investigations/Dental-Practice-Closed-After-Patient-Abuse-Allegations-232510121.html>.

<sup>16</sup> T. Robinson, Fighting Chronic Absenteeism in Some South Florida Schools is Top Priority for Officials (Nov. 25, 2013), <http://www.nbcmiami.com/news/local/Fighting-Chronic-Absenteeism-in-Some-South-Florida-Schools-Top-Priority-for-Officials-230125791.html>.

## Appendix C

---

# **Comcast PEG Pilot Program Progress Report**

*July 29, 2013*

**Transaction Compliance Report**  
MB Docket No. 10-56



July 29, 2013

To the Federal Communications Commission:

This report describes the progress of Project Open Voice,<sup>1</sup> Comcast’s pilot program to host Public, Educational, and Governmental (“PEG”) content on its Video On Demand (“VOD”) and newly created Online platforms, consistent with the commitments and benchmarks set forth in Condition XIV.4 of Appendix A (the “Condition”) to the *Transaction Order*.<sup>2</sup>

**Table of Contents**

Summary of Key Milestones.....	2
Progress of the VOD Pilot Platform .....	3
Progress of the Online Pilot Platform .....	3
Marketing Support Update.....	5
Changes Implemented as a Result of User Surveys and Other Research .....	7

**Online Copy**

As required by Condition XIV.4.vii, a copy of this report is available at <http://corporate.comcast.com/news-information/nbcuniversal-transaction>.

<sup>1</sup> See [www.projectopenvoice.com](http://www.projectopenvoice.com).

<sup>2</sup> *In the Matter of Applications of Comcast Corporation, General Electric Company, and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees*, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (as amended by an Erratum released on March 9, 2011) (*Transaction Order*).

## Summary of Key Milestones

Project Open Voice continues to work with the pilot communities to evaluate the performance of the VOD and Online platforms launched in October 2011 and January 2012, respectively. Previous reports<sup>3</sup> described how Comcast met each of the following milestones required by the Condition:

Milestone	Deadline	Result
<b>Condition XIV.4.c.i:</b> Announce the final location of the five pilot communities	Feb. 28, 2011	Announced the selection of Fresno, CA; Hialeah, FL; Houston, TX; Peterborough, NH; and Philadelphia, PA as the trial communities. <sup>4</sup>
<b>Condition XIV.4.c.ii:</b> Initiate VOD placement of available PEG programming in each PEG pilot community	Oct. 28, 2011	Created VOD folders accessible to Comcast video customers in each of the pilot communities, and uploaded content submitted by PEG programmers selected by each community to participate in the trial.
<b>Condition XIV.4.c.iii:</b> Initiate Online placement of available PEG programming in each PEG pilot community through existing or newly created online platforms	Jan. 28, 2012	Designed, built, and launched custom websites to act as video streaming portals for PEG and other local content. Each website was branded with a name and them selected by the pilot communities: <u>Gotta Love Fresno</u> , <u>Yo Soy Hialeah</u> , <u>Houston's Voice</u> , <u>Local Look Peterborough</u> , and <u>Philly in Focus</u> .
<b>Condition XIV.4.c.iv:</b> Initiate marketing support of the VOD and Online platform in each pilot community	July 28, 2012	Initiated marketing support of the VOD and Online platforms in each community. Comcast, in conjunction with the pilot communities, provides local brand promotional resources, including public relations, social media, content coordination, mobile and email marketing, and search engine optimization support.
<b>Condition XIV.4.c.v:</b> Complete surveys of the user experience for the pilot VOD and Online platforms in each pilot community and begin to implement recommended changes	Jan. 28, 2013	Survey results and recommended changes were summarized in the report filed on January 28, 2013.

This report summarizes the progress of the VOD and Online platforms for the period beginning January 28, 2013 and continuing through July 28, 2013.

<sup>3</sup> See Letters from Lynn R. Charytan, Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, Federal Communications Commission, MB Docket No. 10-56, dated July 28, 2011; January 30, 2012; July 30, 2012; and January 28, 2013, respectively.

<sup>4</sup> A sixth site, Medford, MA, participated as a "beta" site for the platforms.

### **Progress of the VOD Pilot Platform**

The VOD component of the pilot program consists of dedicated content “folders” accessible to Comcast video subscribers in each of the pilot communities. Subscribers can access PEG and other local content selected by their city by navigating to Project Open Voice branded folders on their Comcast VOD service. See Appendix A (screenshot of the Project Open Voice VOD folder accessible in the Philadelphia pilot community).

As of June 30, 2013, Project Open Voice’s local VOD servers had hosted nearly 320 segments of PEG and other local interest programming since the VOD service launched in October 2011. These segments had generated approximately 45,000 VOD views across the pilot communities. Local Comcast VOD teams work closely with each city’s designated PEG content managers to maintain the content and upload new videos at the PEG programmers’ requests.

In addition, Comcast continues to promote the PEG VOD content by using “telescoping” advertisements, an interactive “prompt” or overlay that can be programmed to appear on screen during any linear channel carried in the pilot markets. The telescoping ads allow viewers to seamlessly transition between linear television and the PEG VOD content by taking them directly to their community’s Project Open Voice VOD folder or to a specific video.

Each pilot community also distributes an e-newsletter prepared by the Comcast-provided marketing partner that highlights the popular content from the Project Open Voice website that is also available on the VOD service. See Appendix B and C (screenshots of the e-newsletters distributed in the Houston and Philadelphia pilot communities).

### **Progress of the Online Pilot Platform**

The PEG Online pilot program consists of custom-built websites branded with a name and theme chosen by each pilot community. The sites serve as portals for the communities, traditional PEG programmers, and other content partners to create and manage content “channels” where they can post videos and other local interest information accessible to anyone on the Internet.

PEG and local content creators are contributing new and exciting content choices for use on the websites. As of June 30, 2013, 424 content partners in the pilot communities had created channels and uploaded PEG or other hyper-local content, a 47% increase since the January 2013 report. These content providers have collectively uploaded over 4,500 videos to the Project Open Voice websites since the April 2012 beta launch.

Comcast has also implemented several changes to optimize the pilot websites. At the request of the content partners, online video accessible through the Project Open Voice sites can be either hosted on the sites’ servers or embedded from external video hosting sites like YouTube or Vimeo. Supporting embedded video gives each content partner the flexibility to add content to their Project Open Voice channel without having to re-upload video or change hyperlinks that have been previously distributed. And, as discussed in the *Changes Implemented* section below, the pilot websites are being upgraded to the WordPress platform for increased manageability and ease-of-use.

The increase in content partners has helped attract more viewers. Traffic statistics remain strong with a total of over 263,000 unique visitors – a 79% increase in visitors since the last report – an average of 14,600 unique visitors per month across all six sites. Significantly, over 80% of visitors return to their local Project Open Voice site within a week. And, thanks to efforts to make the sites mobile-friendly, unique visitors in the

“mobile” category increased by 48% compared to the last half of 2012, and mobile page views now account for 23% of total page views.

The sites are hard at work showcasing their hyperlocal content. The following are examples of the signature content currently being featured by each pilot community:

### **Gotta Love Fresno**

The Downtown Fresno Partnership is a public-private partnership designed to improve commercial zones within the city. Given the importance of growing tourism to Fresno, the Partnership uses the Gotta Love Fresno website as a platform for spreading the word about its various initiatives, including the redevelopment plans for the city’s unique pedestrian mall and coverage of local economic events.<sup>5</sup>

### **¡Yo Soy Hialeah!**

Hialeah Healthy Families, a city-run campaign against childhood obesity, harnesses Yo Soy Hialeah’s online video platform to host its multimedia content.<sup>6</sup> Other health-related programming includes episodes produced by The OrganWise Guys, who use puppets to explain simple but effective tips for kids.<sup>7</sup>

### **Houston’s Voice**

Houston-based Springboard Social Media hosts virtual social media and marketing workshops to help local business, non-profits, and individuals maximize their time online.<sup>8</sup> PEG content partners have also embraced the online platform as a new channel for distributing whole series of content, such as Houston Community College TV’s “United We Stand”, a debate show about overcoming adversity.<sup>9</sup>

### **Made in Medford**

Tufts University, a partner on Made in Medford, hosted its annual Edward R. Murrow Journalism Forum in April with renowned journalist Christiane Amanpour. Made in Medford streamed the event live.<sup>10</sup> The event appeared in local media outlets such as *Patch* and *Wicked Local*, as well as the *Boston Globe*. In the community news channel, Made in Medford hosted videos of the community meeting held in June 2013 regarding Mystic River clean-up efforts from the tanker rollover incident.<sup>11</sup>

<sup>5</sup> <http://gottalovefresno.com/live/detail/do-you-believe-in-downtown-fresno?blockID=544727&feedID=10753>; <http://www.gottalovefresno.com/live/detail/state-of-downtown-2013?blockID=544089&feedID=10753>.

<sup>6</sup> <http://www.yosoyhialeah.com/channel/hialeah-healthy-families/>.

<sup>7</sup> <http://www.yosoyhialeah.com/2013/04/30/healthy-bones-growth/>.

<sup>8</sup> <http://houstonvoice.com/channel/springboardsocialmedia/>.

<sup>9</sup> <http://houstonvoice.com/video/united-we-stand/>; <http://houstonvoice.com/video/no-barriers/>.

<sup>10</sup> <http://madeinmedford.com/04/18/13/Christiane-Amanpour-Talks-with-Tisch-at-/landing.html?blockID=544749>.

<sup>11</sup> <http://madeinmedford.com/community>.



### Local Look Peterborough

Local Look Peterborough became the official media platform for the Monadnock International Film Festival, which kicked off in early April 2013. The site streamed live events, hosted viewings, and featured interviews with industry players.<sup>12</sup> In addition, Peterborough also hosts events such as the 20<sup>th</sup> Annual Children and Arts Festival in May, which was prominently featured on the town's channel within Local Look Peterborough.<sup>13</sup>

### Philly in Focus

The Greater Philadelphia Cultural Alliance relies on Philly in Focus to promote and cover a number of its live events. At this year's Philadelphia International Festival of the Arts (PIFA) Street Fair, the Alliance interviewed visitors, challenged attendees to Philadelphia-themed "quizzo", and highlighted festivities from this annual event.<sup>14</sup> In addition, Temple University takes advantage of the site's flexibility to create channels focused on specific programming. Aside from its main channel, the university has a specific home for its news, game, and comedy shows.<sup>15</sup>

### Marketing Support Update

The pilot communities continue to work with Comcast-funded marketing consultants to promote their local Project Open Voice project and content. Each community hosted special events that showcase the opportunity for local content producers to join the hundreds of other content partners, including PEG programmers, which are hosting content on the platforms. Event highlights include:

Market	Event Details
<b>Fresno</b>	Gotta Love Fresno partnered with local access programmer Community Media Access Collaborative (CMAC) to celebrate the one year anniversary of CMAC's new studio. The June 6, 2013 event was hosted by Gotta Love Fresno highlight host Anthony "Hootz" Taylor, and was covered by <i>The Fresno Bee</i> .
<b>Hialeah</b>	Yo Soy Hialeah was on hand to unveil the new Milander Center for Arts and Entertainment at Milander Park. The multi-purpose center boasts 34,500 square feet of facilities including an amphitheater and exhibit space. The event took place June 1, 2013 with a visit from Mayor Carlos Hernandez.
<b>Houston</b>	Houston's Voice hosted a meet-up with existing content providers and Houston-based bloggers to talk about ways to utilize the platform, future upgrades, and search engine optimization best practices. The event was held on June 31, 2013 with presentations by Comcast and platform partner WordPress.

<sup>12</sup> [http://locallookpeterborough.com/monadnock\\_international\\_film\\_festival/](http://locallookpeterborough.com/monadnock_international_film_festival/).

<sup>13</sup> <http://locallookpeterborough.com/live/detail/learn-more-about-the-children-and-the-ar?blockID=544927&feedID=10390>.

<sup>14</sup> <http://www.phillyinfoocus.com/video/pifa-event-video/>.

<sup>15</sup> <http://www.phillyinfoocus.com/channel/temple-university/>.

Market	Event Details
<b>Medford</b>	Working with the school district, Made in Medford filmed and streamed the local high school's graduation ceremony. The stream was the top viewed video on the site during June 2013, garnering views from as far away as California. The graduation was held on June 7, 2013 with an address from Mayor Michael McGlynn.
<b>Peterborough</b>	In order to recognize existing content partners and attract new ones, Local Look Peterborough hosted the First Annual LLP Video Awards. The Oscar-style event kicked off with a montage of videos from the site and awarded 10 local producers voted on by their peers. The event took place on March 6, 2013 and was hosted by Bill Smith, the Local Look Peterborough community resource, as well as a Comcast representative.
<b>Philadelphia</b>	Philly In Focus partnered with local access studio PhillyCAM to cover and live stream the Kensington Kinetic Sculpture Derby, a design competition and parade of human-powered vehicle floats. In addition to filming, the Philly In Focus team was on hand to promote the site. The derby was held on May 18, 2013.

Working with their marketing advisors, the communities continued to expand their social media presence on Facebook, Twitter, and YouTube. On Facebook, for example, Houston's Voice's followers have doubled since the January 2013 report to more than 3,100. Made in Medford also experienced substantial growth – especially for a smaller market – with 4,300 likes. On Twitter, Philly In Focus now has more than 1,800 followers, while Gotta Love Fresno's content channel has garnered nearly 82,000 YouTube views.

As a result, the Project Open Voice websites are now tapped into a connected network of nearly 3 million people, which includes the total number of Internet, email, and social media connections of its 424 content partners. Comcast has engaged consultants to help augment each pilot community's social media presence. For example, these experts are helping the pilot communities recruit individuals or groups who are considered "top influencers" on social media platforms to help with local initiatives being hosted by Project Open Voice.

## Changes Implemented as Result of User Surveys and Other Research

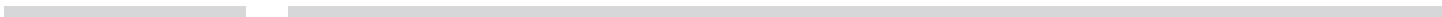
**Deploy an improved, scalable platform.** In response to feedback from Project Open Voice content partners, all six pilot websites will be built on the WordPress software platform.<sup>16</sup> WordPress is a popular content management system known for its robust multimedia features and easy-to-use controls. All Project Open Voice content partners will soon benefit from WordPress' enhanced content promotion features, including ready-to-use plugins and "widgets" created by the WordPress open-sourced community, and a host of other site upgrades that will make it easier for content partners to program and promote their online channels. The software migration is expected to be completed this summer.

**Ensure consumer relevance.** Comcast continues to work directly with customers, content providers, and WordPress – with whom Comcast has a strategic relationship – to help broaden the reach of Project Open Voice content. With the upgraded platform, customers who register with the website now have a personalized dashboard experience that allows them to create personal homepages by highlighting content by channel, publisher, geography, tags and category, plus a consolidated community event calendar. These enhanced content and personalization options will benefit customers by aggregating self-selected content and information into a single location.

**Promote the pilot platforms through Comcast-NBCUniversal resources.** Comcast continues to explore ways to use Comcast and NBCUniversal media platforms to promote Project Open Voice to new audiences and local content creators. For example, in early June 2013, Made in Medford partnered with Comcast's Xfinity.net portal to provide information about the Massachusetts Senate election. Xfinity.net in the Greater Boston region displayed links that directed visitors to candidate and voting information on the Made in Medford website.

---

<sup>16</sup> At launch, only three of the six sites were built on WordPress.







# WHAT TO WATCH

SEE WHAT'S NEW THIS WEEK ON PHILLY IN FOCUS!

## NEW VIDEOS



## CONTENT PARTNER SIGN UP

CLICK TO SIGN UP

## TOP VIDEOS



## RESOURCES

LEARN ABOUT PIF

## EVENT/EMAIL SIGN UP

CLICK TO SIGN UP

## PARTNER NEWS



## EMBED THIS

CLICK TO EMBED

## CONNECT



PIF: JUNE ON DEMAND HIGHLIGHTS

APPLY TO WIN A GRANT FOR YOUR NONPROFIT

Each month, the most engaged videos on Philly In Focus are featured on our Xfinity On Demand channel. The top 10 videos are then mashed up and used for our [highlights video](#). Check out this month's video featuring videos from [Diner En Blanc](#), [the Broad Street Run](#), [the PIFA Street Fair](#) and more! View past highlights videos [here](#).

On June 3, NBC10 launched 21st Century Solutions - a grant challenge for nonprofits implementing **new** and **innovative** programs that are moving our city forward. In partnership with the NBCUniversal Foundation, the signature grant program will award the winner with \$50,000 and two runners-up will each receive \$25,000, totaling \$100,000 in the Philadelphia area. (including Delaware and parts of NJ)

Organizations can apply now through July 31st. For more information about the grant or to apply, visit the 21st Century Solutions' [Philly In Focus Channel](#) or visit [NBC10.com](#).

## WHAT'S HAPPENING ON TWITTER



PHL Visitor Cntr @PHLVisitorCntr

2h

Are you "Rocky Balboa's" number 1 fan? Enter our #illuvRocky Vine contest and u could win a Rocky-themed prize pack [bit.ly/11GMT43](#)

Expand



Philly Film Office @GPFO

9m

Charlie Day, "Always Sunny" comedian, talks about his new "oddball" role for @MonstersU: [ow.ly/mbCfW](#) #PhillyConnections

Expand



Visit Philly @visitphilly

1h

Did you know that City Hall has an observation deck? It does. [vstphl.ly/YcHNxH](#)

Expand



## Appendix D

---

# **Comcast PEG Pilot Program Final Report and Evaluation**

*January 28, 2014*

**Transaction Compliance Report**  
MB Docket No. 10-56



January 28, 2014

This is the sixth and final report evaluating Project Open Voice, Comcast’s pilot program to host Public, Educational, and Governmental (“PEG”) content on its Video On Demand (“VOD”) and new, custom-built Online platforms, consistent with the commitments and benchmarks set forth in Condition XIV.4 of Appendix A (the “Condition”) to the *Transaction Order*.<sup>1</sup>

**Table of Contents**

Executive Summary .....	2
Project Milestones .....	3
Evaluation of the Pilot Program .....	4
VOD Pilot .....	4
Online Pilot .....	5
Conclusion and Next Steps .....	8

**Online Copy**  
As required by Condition XIV.4.vii, a copy of this report is available at <http://corporate.comcast.com/news-information/nbcuniversal-transaction>.

<sup>1</sup> *In the Matter of Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc. for Consent to Assign Licensees and Transfer Control of Licensees*, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (as amended by an Erratum released on March 9, 2011) (Transaction Order).

## Executive Summary

The results of the VOD and Online PEG trials that Comcast conducted in five pilot communities from February 2011 to January 2014 have been very positive. Collaboration between Comcast and the pilot communities ensured that each platform launched in the required timeframe with broad support from the local content creators. Key statistics of the pilot program include:

Platform	Pilot Total	Description
<b>VOD</b>	582	PEG video assets available in pilot markets
<b>VOD</b>	50,000	PEG VOD views by Comcast customers in pilot markets
<b>Online</b>	4,800+	Video assets available on the pilot websites
<b>Online</b>	90,000+	Online views of video assets on the pilot websites
<b>Online</b>	350,000+	Unique visitors to the pilot websites
<b>Online</b>	1,161,000+	Visits to the pilot websites

While usage of both platforms has steadily increased, the pilot websites also provided a well-crafted and easy to use video experience that serves as a portal to hyperlocal news and community information. The trial communities have shown their support of the online platforms by creating engaging hyperlocal content, including almost 5,000 videos, thousands of blog posts, community calendar events, and other local interest resources. The communities recognize the value of a PEG distribution platform that can be accessed by anyone on the Internet and thus can serve not only to promote local programmers, but the community as well.

Comcast plans to remain engaged with the pilot communities to ensure the continuing operation of the Online platforms. To that end, Comcast has agreed to support the operation and promotion of the websites in 2014 with the aim of transitioning control of the websites to the pilot communities by the end of the year. Comcast will also maintain the Project Open Voice VOD folder structure in the test markets for the same time period.

### Project Milestones

Previous reports<sup>2</sup> described how Comcast met each of the following milestones required by the Condition:

Milestone	Deadline	Result
<b>Condition XIV.4.c.i:</b> Announce the final location of the five pilot communities	Feb. 28, 2011	<b>Completed.</b> Announced the selection of Fresno, CA; Hialeah, FL; Houston, TX; Peterborough, NH; and Philadelphia, PA as the trial communities.
<b>Condition XIV.4.c.ii:</b> Initiate VOD placement of available PEG programming in each PEG pilot community	Oct. 28, 2011	<b>Completed.</b> Created VOD folders accessible to Comcast customers in each of the pilot communities, and uploaded content submitted by PEG programmers selected by each community to participate in the trial.
<b>Condition XIV.4.c.iii:</b> Initiate Online placement of available PEG programming in each PEG pilot community	Jan. 28, 2012	<b>Completed.</b> Designed, built, and launched custom websites to act as video streaming portals for PEG and other local content. Each website was branded with a name and then selected by the pilot communities.
<b>Condition XIV.4.c.iv:</b> Initiate marketing support of the VOD and Online platform in each pilot community	July 28, 2012	<b>Completed.</b> Initiated marketing support of the VOD and Online platforms in each community. Comcast, in conjunction with the pilot communities, provided local brand promotional resources, including public relations, social media, mobile and email marketing, and search engine optimization support.
<b>Condition XIV.4.c.v:</b> Complete surveys of the user experience for the pilot VOD and Online platforms and begin to implement recommended changes	Jan. 28, 2013	<b>Completed.</b> Reported survey results and recommended changes to the platforms.

The July 2013 report included an update on the content and usage statistics, plus details on the implementation of the changes obtained from the user survey results and other feedback received from the communities.

<sup>2</sup> See Letters from Lynn R. Charytan, Senior Vice President, Legal Regulatory Affairs, Senior Deputy General Counsel, Comcast Corporation, to Marlene H. Dortch, Secretary, Federal Communications Commission, MB Docket No. 10-56, dated July 28, 2011; January 30, 2012; July 30, 2012; January 28, 2013; and July 29, 2013, respectively.

## Evaluation of the Pilot Program

Condition XIV.4.c.vi requires that “within three years of the Closing of the Transaction, [Comcast] shall complete the pilot phases and evaluate the results of the pilots.”

Comcast’s evaluation of each pilot platform is discussed below.

## VOD Platform

### Overview

As previously reported, the VOD component of the pilot program consists of dedicated content “folders” accessible to Comcast VOD customers in each of the pilot communities. PEG and other local content selected by the local government is accessed by navigating to “Project Open Voice” branded folders on the Comcast VOD service.

The PEG VOD folders launched in October 2011, as required. Each community designated a group of PEG providers that would select and deliver the PEG content to Comcast local VOD teams for encoding and placement on the service. Comcast worked with local content providers in each of the designated areas to ensure that content was uploaded and refreshed as often as the PEG providers requested.

Comcast promoted its PEG VOD offering in each of the pilot communities. Efforts included:

- Making the PEG VOD content easier to find by improving the location of the Project Open Voice folders within the Comcast VOD service menus.
- Aligning the folder and program names with those used on the popular PEG Online pilot websites.
- Running “telescoping” video advertisements on popular cable networks including USA, MTV, TBS, FX, Discovery, and others, to allow Comcast customers to access the PEG VOD folder without having to navigate the VOD menu.
- Promoting VOD content through locally-driven marketing social and email marketing efforts.<sup>3</sup>

### Results

Overall, the pilot was successful in deploying and evaluating a PEG VOD service. As of January 27, 2014, Project Open Voice’s local VOD servers had hosted nearly 600 segments of PEG and other local interest programming since launch. These segments had generated nearly 50,000 views across the pilot communities through December 2013.

---

<sup>3</sup> The pilot communities continued to work with Comcast-funded marketing consultants to promote their local Project Open Voice project and content. Examples of the promotional activities carried out during the period of July 29, 2013 through January 28, 2014 are listed in Appendix A.

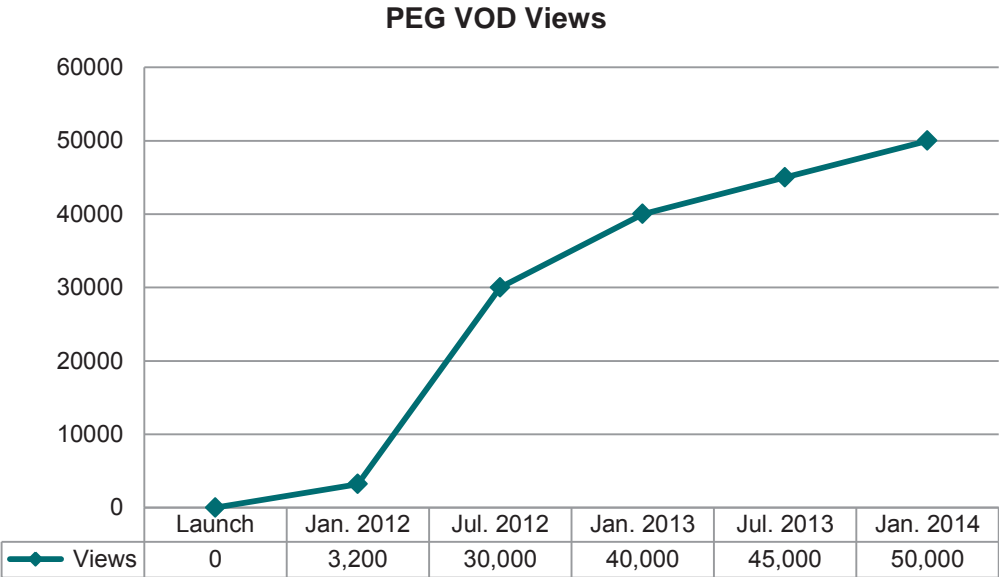


Figure 1

The usage of PEG VOD showed an interesting pattern. As illustrated in Figure 1, above, usage of the PEG VOD platform was initially limited, but improved after the launch of the pilot websites (January 2012), especially after Comcast and the communities announced in July 2012 that the most popular content from the websites was also available on VOD. This suggests that VOD views were intrinsically tied to the popularity of the content of the Online platform and, therefore, the number of VOD views might not be as high if Comcast had not cross-marketed the VOD content to the pilot websites' audience. Despite these cross-promotional efforts, total PEG VOD views increased only by 5,000 from July 2013 to January 2014, which suggests that subscriber interest in viewing PEG content on the VOD service may have plateaued or been supplanted by interest in the Online platforms.

Overall, while there was usage of the VOD platform, VOD viewership did not reach the same levels as online consumption. As explained below, online views of PEG and other hyperlocal video content exceeded VOD views by 80% (90,000 video views online versus nearly 50,000 views on VOD), and visits to the websites exceeded one million hits.



## Online Pilot Platform

### Overview

As previously reported, the Online pilot program consists of custom-built websites that were branded with the name and theme chosen by each pilot community. The websites serve as portals for the communities, traditional PEG programmers, and other partners to create and manage virtual “channels” where they can post video content, along with other local interest information.

Working with local marketing advisors, each community chose the brand and theme that would guide the messaging and design of its website. The website names and addresses chosen by each community for the January 2012 launch were:

Market	Website Brand (URL)
<b>Fresno</b>	Gotta Love Fresno (www.gottalovefresno.com)
<b>Hialeah</b>	Yo Soy Hialeah (www.yosoyhialeah.com)
<b>Houston</b>	Houston's Voice (www.houstonsvoice.com)
<b>Medford</b>	Made in Medford (www.madeinmedford.com)
<b>Peterborough</b>	Local Look Peterborough (www.locallookpeterborough.com)
<b>Philadelphia</b>	Philly in Focus (www.phillyinfocus.com)

### Results

The results indicate real support among content providers and consumers for online consumption of PEG and local interest content. As of January 17, 2014, more than 454 content partners in the pilot communities have created 540 channels and uploaded PEG or other hyper-local content to the local sites, a 27% increase in the number of channels since the July 2013 report. Content generation also remains strong; registered partners have uploaded nearly 5,000 videos since the April 2012 launch of the program's online component.

The Online platform allows Comcast to continually improve the functionality and features available to sites' administrators and users. One recent upgrade enabled the posting of other types of content, including photo galleries, text articles, and audio.<sup>4</sup> Since Project Open Voice began allowing other forms of content in July 2013, more than 2,125 posts of non-video content, including over 1,700 blog entries, have been uploaded by the content partners.

Website	Partners	Channels	Blog Posts	Videos
Gotta Love Fresno	35	54	660	322
Yo Soy Hialeah	39	51	152	203
Houston's Voice	130	140	152	1,606

<sup>4</sup> These journaling features were made possible by the migration of the pilot websites to the WordPress platform.

Website	Partners	Channels	Blog Posts	Videos
Made in Medford	34	47	152	303
Local Look Peterborough	47	43	468	303
Philly in Focus	169	205	282	2,072
<b>Totals</b>	<b>454</b>	<b>540</b>	<b>1,724</b>	<b>4,809</b>

The largest metropolitan areas (Houston and Philadelphia) had the most online content providers and the most prolific content publishers. However, smaller markets had an impressive ratio of partners or channels relative to the larger markets, underscoring the popularity of the sites with local content providers and users.

In terms of visitor traffic, the websites have accounted for nearly 350,000 unique visitors since launch, with nearly 1.2 million page views. These results demonstrate a key characteristic of the Online model: you do not have to be a Comcast customer to access local content and information via the Online platform.

Website	Unique Visitors - All	% Mobile	Page Views – All	% Mobile
Gotta Love Fresno	40,542	36%	149,197	19%
Yo Soy Hialeah	43,678	29%	119,005	21%
Houston's Voice	57,260	18%	234,653	9%
Made in Medford	32,430	16%	106,477	12%
Local Look Peterborough	17,046	23%	81,006	11%
Philly in Focus	157,095	31%	471,372	28%
<b>Totals / Average %</b>	<b>348,051</b>	<b>26%</b>	<b>1,161,710</b>	<b>17%</b>

As illustrated in Figure 2, below, the sites also experienced a steady increase in unique visitors during every reporting period, an increasing percentage of which accessed the website on mobile devices. The increase in the number of visitors is likely attributable to the availability of mobile versions of the pilot sites and a growing interest from the general public in mobile consumption.

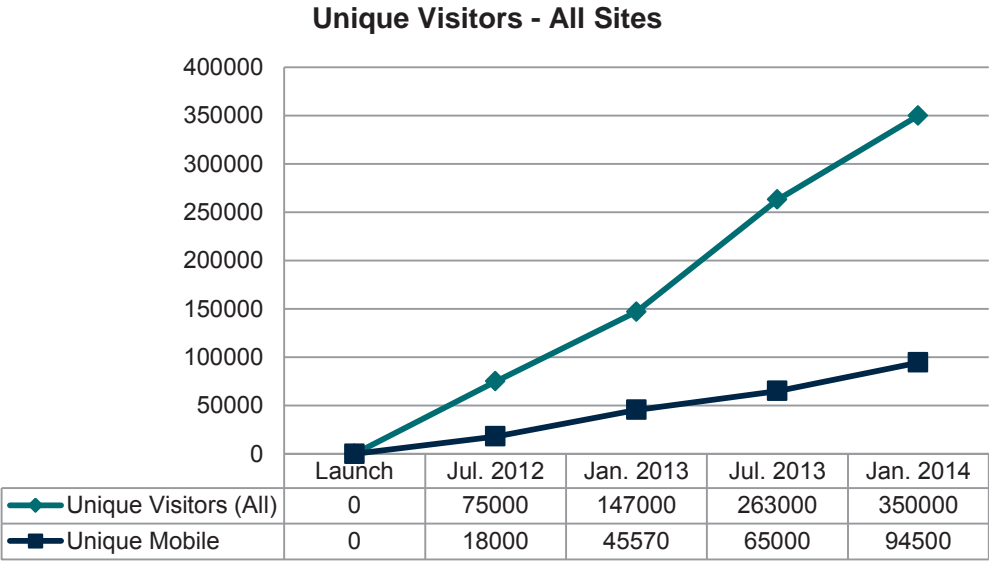


Figure 2

More than 30% of all traffic came from outside the home states of the pilot markets, with visitors from states like Illinois, New Jersey, New York, and Washington, together accounting for 14% of total traffic. The pilot communities have emphasized the importance of enabling former residents and other people with connections to the communities to access the hyper-local content, news, and other offerings.

The pilot sites’ social media presence has been a key factor driving visitor growth. To date, nearly 11% of all pilot site traffic originates from Facebook. As of January 2014, the sites had a combined total of 18,257 Facebook “likes” and 9,447 Twitter followers.

User-friendliness is also a key growth driver for the Online platform. Comcast executed a number of redesigns and layout changes that allow the user to browse or search for content and local events by category, interest, tag, or provider, while users who take advantage of a simple account sign up process can customize their experience to follow topics, neighborhoods, or providers of interest. These features will likely contribute to further interest and growth in the platform.

## Conclusion and Next Steps

Based on the results of this trial, Comcast believes the pilot Online PEG distribution platform is an effective vehicle for non-Comcast customers to access PEG content on demand, from anywhere. Beyond the larger audience, the Online platform offers the advantages of self-help content management, interactivity, and social features.

Feature	VOD	Online
<b>Content Management</b>	Video must be delivered to Comcast for encoding and insertion into the local market's VOD servers.	Any content partner who completes the free, online registration process can upload and manage its "channel" on the website.
<b>Sharing Content</b>	Can only be accessed by Comcast customers in the pilot market.	Content or links can be shared with anyone via e-mail or social media.
<b>Social Features</b>	Posting of comments, links, or other social media-enabled tools is not currently supported.	Viewers can obtain additional information through embedded hyperlinks; post questions or commentary; and interact with the content creator.

Comcast has agreed to continue to work with interested parties to explore new opportunities to place local content on the Online platform. The company will work with each test market to develop a transition plan that will allow each community to take full responsibility for its pilot site by the end of 2014. Comcast will also maintain the Project Open Voice VOD folder structure in the test markets for the same time period.

## APPENDIX A: Marketing Support Highlights

Below are some examples of local events and other targeted marketing efforts made in the fourth quarter of 2013 within each of the five pilot communities, plus the Medford test market.

Market	Marketing Efforts
<b>Fresno</b>	Gotta Love Fresno utilized local media to raise awareness of the site, serving as sponsor and host for the 12 <sup>th</sup> Swede Fest, an international film festival showcasing low-budget, short format re-creations of Hollywood movies and TV shows, and supporting the “Footsteps to Freedom” project, a commemorative video from the Fresno Metro Black Chamber of Commerce honoring the 50 <sup>th</sup> anniversary of the March on Washington and the launch of local PEG collaborative CMAC’s new program, UsHelpingUs.
<b>Hialeah</b>	The City of Hialeah approached Yo Soy Hialeah about promoting the annual Santa’s Snow Blast event. In response, the team held a bi-lingual Facebook contest where followers could enter to win a free photo with Santa and unlimited ride vouchers through the City.
<b>Houston</b>	Houston’s Voice collaborated extensively with city-wide initiatives from the Mayor’s Office, including a public awareness campaign entitled “Shine a Light on Human Trafficking.” The City hosted two dedicated channels to support the campaign and the nonprofit behind its mission, drove attendance to events, and helped raise awareness through coverage and social media marketing.
<b>Medford</b>	With social media as the largest traffic driver, Made In Medford kicked off a thematic social media campaign promoting community pride. The campaign included weekly fan shout outs and updates from community partners like Tufts University, which recently announced a financial reinvestment in the City, and Medford High, which ended a 125 year football rivalry with neighboring Malden, MA, a game that was hosted on MadeInMedford.com.
<b>Peterborough</b>	Local Look Peterborough continued grassroots efforts to reach out directly to community members and educate them on the site, including a series of speaking engagements by Local Look Peterborough representatives at the Keene and Monadnock Rotary Clubs.
<b>Philadelphia</b>	With a growing interest in identifying as a tech savvy city, Philadelphia is home to numerous start-up and entrepreneur-driven groups. Philly In Focus saw the opportunity to support this interest, partnering with organizations like Philly College Entrepreneurs and Technically Philly to support two important initiatives: Start Stay Grow and Conversations in Tech. Both series include interviews with students, entrepreneurs, and supporting organizations to encourage the already thriving tech scene and ensure new companies make a permanent home in the City.

Appendix E

---

**Comcast**  
***Internet Essentials***<sup>TM</sup>  
**Annual Compliance Report**

*July 31, 2013*



Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C.

In the Matter of	)	
	)	
Applications of Comcast Corporation,	)	
General Electric Company,	)	MB Docket No. 10-56
and NBC Universal, Inc.	)	
	)	
For Consent to Assign Licenses and	)	
Transfer Control of Licensees	)	

**SECOND ANNUAL COMPLIANCE REPORT ON *INTERNET ESSENTIALS*,**  
**THE COMCAST BROADBAND OPPORTUNITY PROGRAM**

*Comcast Corporation*  
300 New Jersey Avenue, NW  
Suite 700  
Washington, D.C. 20001  
(202) 379-7121

July 31, 2013

## TABLE OF CONTENTS

	<i>Page</i>
I. COMPLIANCE WITH THE SPECIFIC REQUIREMENTS OF THE BROADBAND ADOPTION CONDITION .....	2
A. Eligibility Criteria .....	2
1. Reliance on NSLP Eligibility.....	3
2. Eligibility Verification .....	3
B. Launch and Duration of the Program.....	3
C. <i>Internet Essentials</i> ’ Principal Components.....	3
1. Low Cost Internet Service .....	3
2. Discounted Computers.....	4
3. Digital Literacy Training .....	4
D. Operationalizing <i>Internet Essentials</i> .....	4
1. Avenues to Get Information and Request an Application .....	4
a. Dedicated <i>Internet Essentials</i> phone numbers and branded websites .....	4
b. General customer service support.....	5
c. The application process.....	5
2. Service Activation.....	5
3. Ordering the Discounted Computer .....	6
E. Publicizing <i>Internet Essentials</i> to Eligible Families .....	6
1. <i>Internet Essentials</i> Website and Partner Portal.....	6
2. “Hyper-local” Paid Media.....	6
3. Earned Media .....	6
4. Public Service Announcements and Comcast Newsmakers .....	7
5. Comcast Employees.....	7
F. Comprehensive Stakeholder Campaign .....	7
1. Schools.....	8
2. Community Partners .....	8
3. Federal, State, and Local Officials.....	9
4. Education Associations .....	9
G. More Than Just Broadband Service .....	9
1. Computer Setup Support.....	9
2. Free Security Software.....	9
3. Digital Literacy Training in Print, in Person, and Online.....	9
II. ANALYSIS OF THE PROGRAM’S EFFECTIVENESS .....	10
A. Key Performance Metrics .....	10
1. Number of Participants and Discounted Computers.....	10
2. Effectiveness of the Awareness Campaign and Application Process .....	10
3. General Satisfaction .....	11
III. SUMMARY OF ENHANCEMENTS TO THE PROGRAM .....	11
A. Enhancements Made Since the Program’s Launch.....	12
B. Enhancements to be Implemented in 2013 .....	12
APPENDIX	

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C.**

In the Matter of	)	
	)	
Applications of Comcast Corporation,	)	
General Electric Company,	)	MB Docket No. 10-56
and NBC Universal, Inc.	)	
	)	
for Consent to Assign Licenses and	)	
Transfer Control of Licensees	)	

July 31, 2013

**SECOND ANNUAL COMPLIANCE REPORT ON *INTERNET ESSENTIALS*,  
THE COMCAST BROADBAND OPPORTUNITY PROGRAM**

Comcast Corporation (“Comcast”) submits this report regarding the second year (June 22, 2012 through June 21, 2013)<sup>1</sup> of its *Internet Essentials* offering, the Comcast Broadband Opportunity Program required by Condition XVI.2 of Appendix A to the *Transaction Order*<sup>2</sup> (the “Condition”).

This Annual Compliance Report supplements the information in the March 2013 *Internet Essentials* Progress Report,<sup>3</sup> and identifies the relevant components of the Condition that have guided – and are satisfied by – the *Internet Essentials* program. In addition, this report also provides the specific information required by sub-part XVI.2.m of the Condition, including an analysis of the program’s effectiveness, and a description of the many enhancements Comcast has made to continue improving *Internet Essentials* above and beyond any of its original commitments. As required by Condition XVI.2.m, a copy of this report is available as of today at <http://corporate.comcast.com/news-information/nbcuniversal-transaction>.

---

<sup>1</sup> Data for the second year of the program runs through June 21, 2013 unless otherwise noted, because this date corresponds to the close of the Company’s fiscal month that is nearest to this report’s filing date.

<sup>2</sup> *In the Matter of Applications of Comcast Corporation, General Electric Company, and NBC Universal, Inc., for Consent to Assign Licenses and Transfer Control of Licensees*, Memorandum Opinion and Order, 26 FCC Rcd 4238 (2011) (as amended by the Erratum released on March 9, 2011) (“*Transaction Order*”).

<sup>3</sup> A copy of the March 2013 Progress Report is attached hereto as Appendix A.

## I.

**COMPLIANCE WITH THE SPECIFIC REQUIREMENTS OF  
THE BROADBAND ADOPTION CONDITION**

*Internet Essentials* is the nation's largest and most comprehensive broadband adoption program. Since its launch almost 24 months ago, the program has made affordable broadband Internet accessible to millions of low-income families across the Comcast footprint. In addition to affordable broadband, *Internet Essentials* gives eligible families the opportunity to purchase an Internet-ready computer at a substantial discount. The program also includes a comprehensive digital literacy training component designed to empower students and their parents to unlock the full potential of the Internet.

As outlined below, Comcast's broadband adoption program has met, and in many respects far exceeded, the requirements originally proposed and incorporated in the Condition. Notably, Comcast has continuously worked to make it easier and faster for eligible families to get connected, expanding eligibility to provide for private, parochial, and homeschooled students. Comcast has also developed innovative measures that the Condition never even contemplated: for example, the program will soon offer *Internet Essentials* Opportunity Cards so Comcast's non-profit partners and others can purchase up to a year of *Internet Essentials* service for qualified families. In addition, eligible families will soon be able to request, and in many cases complete, their *Internet Essentials* application online.

**A. Eligibility Criteria** (*Condition XVI.2.f*)

As proposed by Comcast in connection with the NBCUniversal transaction and set forth in the Condition, Comcast initially offered the program based on the eligibility criteria outlined in Condition XVI.2.f: a household is eligible to participate in *Internet Essentials* if it (1) is located where Comcast offers Internet services (over 99% of the Comcast service area); (2) has at least one child eligible for a free school lunch through the National Lunch School Program ("NSLP"); (3) has not subscribed to Comcast Internet service within the last 90 days; and (4) does not have an overdue Comcast bill or unreturned equipment.

In 2012, Comcast went beyond the initial eligibility criteria outlined in the Condition and extended eligibility to families with children eligible to receive *reduced* price school lunches. This enhancement made close to 300,000 additional households in Comcast's service area eligible for *Internet Essentials* – raising the total number of *Internet Essentials*-eligible households to an estimated 2.3 million families. And, on April 1, 2013, Comcast expanded the eligibility criteria yet again to include families with homeschooled, private, and parochial students who otherwise meet the NSLP eligibility criteria. This enhancement made nearly 200,000 additional families eligible for *Internet Essentials* in Comcast's service area – bringing the total to nearly 2.6 million eligible families.

### **1. Reliance on NSLP Eligibility (Condition XVI.2.g)**

To determine eligibility for the *Internet Essentials* program, Comcast proposed, and the Condition requires, that eligibility for the program be based on the well-established certification processes for participation in the NSLP.

### **2. Eligibility Verification (Condition XVI.2.j)**

Third party verification specialist Solix continues to assist Comcast with eligibility verification of *Internet Essentials* applicants. To reduce the burden or delay that some families faced in obtaining this proof, Comcast implemented the *Internet Essentials* instant approval process at schools that qualify as “Provision 2” schools<sup>4</sup> and for all schools with 75% or more NSLP participation based on National Center for Education Statistics (NCES) data, irrespective of their Provision 2 status.<sup>5</sup> This means that families of students attending the schools across the Comcast footprint that are either Provision 2 or NCES-validated can be instantly approved for the program.

### **B. Launch and Duration of the Program (Conditions XVI.2.a; XVI.2.d)**

Since the program’s August 2011 launch, Comcast has rolled out *Internet Essentials* across more than 4,000 school districts in 39 states plus the District of Columbia, and will continue to enroll participants in the program at least through the end of the 2013-2014 school year. Any household that enrolls during the initial three-year enrollment period will remain eligible for the discounted price so long as at least one child in the household continues to meet the program’s NSLP eligibility requirements (including the eligibility enhancements made by Comcast).

### **C. Internet Essentials’ Principal Components**

The *Internet Essentials* program has three principal components:

#### **1. Low Cost Internet Service (Conditions XVI.2.c.i; XVI.2.c.ii)**

*Internet Essentials* provides eligible low-income families in the Comcast service area affordable access to high-speed Internet service from their homes. For just \$9.95 per month, plus tax, eligible families receive Comcast’s XFINITY Economy Internet service with speeds up to 3 Mbps downstream and up to 768 Kbps upstream – double the speeds at launch – and no monthly modem or other equipment fees, installation charges, or activation fees for as long as the family remains eligible and maintains the service. In addition, *Internet Essentials* families are not subject to standard credit checks and are not asked to sign any contracts to take the service for a

<sup>4</sup> Households in a Provision 2 school district – generally those with a high percentage of low income students – are not required to complete free or reduced price lunch application materials and are automatically qualified for NSLP.

<sup>5</sup> The instant approval process is another voluntary enhancement to the *Internet Essentials* application process that goes far beyond the Condition’s requirements.

specified period of time. The price of the service will not increase so long as the household continues to meet the eligibility criteria of the program.

## **2. Discounted Computers** (*Condition XVI.2.c.iii*)

Working with the program's partners, Comcast offers *Internet Essentials* families the opportunity to purchase an Internet-ready netbook. Computers offered through the program come with web browser and security software. Comcast subsidizes the cost of each netbook, reducing the price to the customer to \$149.99 plus tax. Comcast also provides for free shipping to the customer. Later this year, *Internet Essentials* families will also have the option to purchase a desktop or laptop computer instead of a netbook. Broadening the Internet-ready computing choices is a new program enhancement and exceeds the requirements in the Condition.

## **3. Digital Literacy Training** (*Condition XVI.2.c.iv*)

*Internet Essentials* customers receive access to print, online, and in-person digital literacy training free of charge. Comcast developed comprehensive digital literacy print materials that are included in the Welcome Kit mailed to each new *Internet Essentials* customer. For the online component, Comcast created the Learning Center (<http://learning.internetessentials.com>) so that customers can receive digital literacy training at their convenience. The online Learning Center features animated training modules focused on topics such as browser and e-mail basics, and online safety topics. In addition, Comcast's partners organized hundreds of in-person training sessions across the country, giving *Internet Essentials* customers and other low-income families the opportunity to receive hands-on training on digital literacy topics. Comcast also made it easier to attend in-person training by creating an online lookup tool that allows users to search and sign up for training sessions in their area. Users can also sign-up to receive e-mail alerts when a class is scheduled to be held nearby. A detailed description of the expansive digital literacy training and support available to *Internet Essentials* customers is provided in Section I.G.3, *infra*.

## **D. Operationalizing *Internet Essentials*** (*Condition XVI.2.j*)

The experience obtained during the first two years of the program has allowed Comcast to further refine the application and intake processes to ensure a smooth customer experience and efficient, timely sign-ups. The process involves the following elements:

### **1. Avenues to Get Information and Request an Application**

#### **a. Dedicated *Internet Essentials* phone numbers and branded websites**

Comcast operates dedicated phone numbers for English and Spanish speaking consumers – 1-855-8-INTERNET (1-855-846-8376) and 1-855-SOLO-995 (1-855-765-6995) – which connect participants to customer account executives (“CAEs”) at a dedicated call center specifically trained to assist with *Internet Essentials* enrollment and answer questions about the program. These dedicated phone lines continue to be the central tool that Comcast uses to ensure



that interested consumers get the information they need. In addition, Comcast operates [www.internetessentials.com](http://www.internetessentials.com) and [www.internetbasico.com](http://www.internetbasico.com) to promote the service, inform potential customers of application requirements, and serve as a portal to information about the program, including the online Learning Center. And, as described in Section III.B *infra*, Comcast will enhance the application process by deploying an online application tool so that families can more easily and conveniently order – and in many cases, instantly sign up – for *Internet Essentials* service anytime at their local library, community center, or anywhere they can get access.

b. General customer service support

Comcast also took steps to ensure that potential customers could find *Internet Essentials* information through other contacts with the Company, including training regular CAEs to redirect *Internet Essentials* applicants to the dedicated toll-free number. Customers who visit Comcast.com can find information about the program by searching for “*Internet Essentials*” or using other descriptive terms (e.g., “low-cost broadband”) on the site’s search tool.

c. The application process

The application process is structured as follows: after a customer calls to enroll, Comcast sends an application – by regular mail or e-mail, based on the customer’s preference – that is pre-populated with information provided by the caller. Next, customers send their completed *Internet Essentials* application and supporting documentation by mail or fax to Solix for eligibility verification. Verified applications are then forwarded to a Comcast order entry center for provisioning of the new *Internet Essentials* account.

Eligible households may also receive *Internet Essentials* through a bulk registration program which allows non-profits, community-based organizations (“CBOs”), faith-based organizations, school districts, and community colleges to make bulk purchases of *Internet Essentials* service for households that are “sponsored” by each organization. To further enhance bulk purchasing opportunities, in the Fall of 2013 Comcast will begin offering *Internet Essentials* Opportunity Cards so non-profit partners and others can purchase up to a year of *Internet Essentials* service for qualified families.

## 2. Service Activation

Once a household has been approved for *Internet Essentials* service, Comcast ships an Activation Kit that includes the broadband service modem, cabling, and a self-install guide. Customers who require assistance with the activation process may contact the support line indicated in the installation materials and a service visit will be scheduled at no charge to the customer. Comcast contacts new *Internet Essentials* customers to promptly schedule an installation visit in those cases where the Company’s records suggest that the customer’s home is not pre-wired for Comcast service, since this suggests that the customer would not be able to use the self-install process without assistance.

### 3. Ordering the Discounted Computer

The Welcome Kit sent to each *Internet Essentials* participating household includes a voucher with a unique code and instructions on how to obtain the discounted computer. To place an order, *Internet Essentials* customers must call the toll-free number indicated on the voucher and use one of the vendor's payment methods to complete the purchase. The vendor also provides end-to-end customer service including sales, technical support, and warranty coverage for the discounted computer. Organizations participating in the bulk registration program also have the option of purchasing discounted computers for *Internet Essentials* participants during the initial enrollment.

#### **E. Publicizing *Internet Essentials* to Eligible Families** (*Condition XVI.2.k*)

While the Condition does not require specific marketing or publicity for *Internet Essentials*, Comcast undertook significant efforts to publicize the program, and in doing so, went well beyond the Condition's requirements. The components of this broad promotional campaign are described below.

##### **1. *Internet Essentials* Website and Partner Portal**

The *Internet Essentials* outreach plan relies primarily on the program's dedicated website which serves as a one stop destination for information, resources, and collateral on *Internet Essentials*. As of June 21, 2013, the dedicated websites had received over 1,200,000 visits.

Built into this website is a unique Partner Portal that allows *Internet Essentials* partner organizations to download program materials directly or order materials which are shipped for free regardless of the quantity ordered. Registered partners also receive program updates, including regular newsletters and other announcements. As of June 21, 2013, more than 20,400 individuals and organizations had registered for the Partner Portal, and partners requested and received over 27 million pieces of promotional collateral – all at no charge.

##### **2. “Hyper-local” Paid Media**

Comcast devised a “hyper-local” paid media strategy targeting NSLP-eligible families within the top 11 metropolitan areas in the Comcast footprint in 2012 and expanded the campaign to the top 12 metropolitan areas in 2013. Efforts included distributing marketing materials to local businesses and attending community events held in low income areas, and purchasing advertisements in newspapers and community publications to reach potential customers within target school districts. Other tactics include thirty second ad buys in local radio stations during the back-to-school season and leveraging mobile and social media to promote the service.

##### **3. Earned Media**

Emulating last year's successful earned media strategy, *Internet Essentials* launch events marking the start of the 2012-2013 school year were the centerpiece of the earned media

strategy, galvanizing a broad range of stakeholders around the mission of urging as many eligible families as possible to enroll. Each event featured a speaker from Comcast describing the program and included mayors, governors, Members of Congress, local or state superintendents, community leaders, and coach Tony Dungy – all helping to drive the message of the importance of broadband. *See Appendix B.* For example, in Atlanta, Comcast partnered with Sequoyah Middle School, the Center for Pan Asian Community Services, Carver High School, and the Warren/Holyfield Boys and Girls Club, to sponsor four rallies centered on the importance of digital literacy and broadband in education. Comcast also held launch events in 21 communities including Fresno, Chicago, Charleston, Seattle, Houston, Detroit, Baltimore, and Richmond.

The media impressions generated by coverage of these launch events continued generating millions of dollars' worth of earned media for *Internet Essentials* during the rest of the school year. Through June 21, 2013, Comcast has generated more than 1.6 billion media impressions for *Internet Essentials* through sustained media efforts. These include over 1.5 billion print and online impressions as well as nearly 45 million broadcast and radio television impressions.

#### **4. Public Service Announcements and Comcast Newsmakers**

Comcast also conducted a bilingual Public Service Announcement (“PSA”) campaign promoting the availability of *Internet Essentials* across its service area. Since August 2011, the Company has aired PSA spots with a value of almost \$9,000,000. In addition, Comcast ran “Comcast Newsmakers” segments in support of *Internet Essentials*. Comcast Newsmakers is a five minute public affairs program that aired on various platforms, including CNN Headline News (on Comcast Cable systems at 24 and 54 minutes past the hour), on Comcast VOD, and online.

#### **5. Comcast Employees**

Comcast empowered its employees to directly connect eligible families in their communities through its *Internet Essentials* Ambassadors Program. Interested employees could call on existing relationships with schools, libraries, or CBOs in their neighborhoods and help these organizations prepare for the 2013 *Internet Essentials* back-to-school season. Since May 2012, the *Internet Essentials* Ambassadors Program has been replicated and launched in almost every market across the Comcast footprint. The program counts nearly 1,000 Ambassadors across the country working with Comcast’s Government Affairs representatives to connect with schools, community organizations, and religious institutions. *Internet Essentials* Ambassadors have reached over 500 organizations, distributed over 43,000 pieces of *Internet Essentials* materials, attended nearly 200 events which drew in more than 77,000 members of the public, and offered over 900 volunteer hours.

#### **F. Comprehensive Stakeholder Campaign (Conditions XVI.2.g-i)**

Comcast’s extensive partnership with a diverse array of leaders from the education, government, and non-profit sectors across the Comcast service area continued to be the cornerstone of the *Internet Essentials*’ communications plan. Comcast worked with these partner organizations to help educate eligible families about *Internet Essentials*, distribute

promotional materials, and spread the word about the benefits of this broadband adoption opportunity.

## **1. Schools**

Thousands of schools helped promote *Internet Essentials* to eligible families by allowing Comcast to send literature to students and families at the start of the 2012-2013 school year. These promotional materials range from professional-looking posters to simple letters – and all of them are available through the online Partner Portal in English, Spanish, and 12 other languages, including: Arabic, Oromo, Somali, Tibetan, Chinese Mandarin, Haitian Creole, Portuguese, Hmong, Korean, Vietnamese, Polish, and Russian.

In July 2013, Comcast launched a redesigned consumer and partner-facing marketing campaign focused on one of the main barriers to adoption: the perceived lack of relevance of the Internet. *See Appendix C.* To address this challenge, the new promotional materials are built around the message that broadband access is more than a necessity for school and work – it is the key to help families unlock their children’s potential to succeed.

Comcast will continue to engage educators leading up to and through the upcoming back-to-school season with continued personal engagement and a hybrid e-mail and direct mail campaign targeting all 20,000+ program partners. An introductory direct mail campaign targeting private, parochial, online, and charter school officials will also be conducted with the aim of introducing the program to more schools with eligible children.

## **2. Community Partners**

As of June 21, 2013, over 4,000 CBOs, including churches, libraries, and parent-teacher associations have partnered with Comcast to help spread the word about *Internet Essentials*. As with all stakeholders, Comcast effectively used the Partner Portal to make it easy for these CBOs to participate. Comcast will continue to build on the successes and lessons learned from the *Internet Essentials* campaigns by conducting strategic and targeted local outreach campaigns in the markets surrounding the 600 largest school districts, which cover over 80% of the eligible households in our footprint. Each campaign will focus on engaging those organizations in the market that can drive awareness including organizations that serve government, the non-profit community, and faith-based groups.

Comcast also worked with CBOs that have both strong national and local presences to facilitate the growth of partnerships across the nation, including the Boys & Girls Clubs, City Year, Teach for America, Big Brothers Big Sisters, United Way, LULAC, the National Urban League, Easter Seals, Teach for America, Hispanics in Technology and Telecommunications Partnership, ASPIRA, National Council of La Raza, the NAACP, the Urban League, and the National Gay and Lesbian Task Force. These partners helped create an atmosphere of support and excitement around *Internet Essentials* by leveraging their relationships with the education community, sharing “best practices” with Comcast and each other, and by driving other organizations to register at the Partner Portal.

### **3. Federal, State, and Local Officials**

Public officials continue to play an essential role in promoting awareness of *Internet Essentials*. As of June 21, 2013, Comcast had delivered the *Internet Essentials* message to over 3,000 state, local, and federal government elected or appointed officials.

### **4. Education Associations**

Comcast continues to engage dozens of national education organizations to collaborate on best practices in student and educator engagement and to get their membership involved with publicizing the benefits of *Internet Essentials*, including the National Parent Teacher Association, National School Boards Association, American Association of School Administrators, Consortium for School Networking, Council of the Great City Schools, State Education Technology Directors Association, National Alliance for Public Charter Schools, and the American School Counselor Association, among others.

## **G. More Than Just Broadband Service**

### **1. Computer Setup Support (*Conditions XVI.2.l.i-iii*)**

The Activation Kit sent to every *Internet Essentials* customer includes printed guides on how to connect to the Internet, plus a toll-free support number where customers can obtain 24/7 support for any questions or issues about using their XFINITY Internet service. *Internet Essentials* customers can also take advantage of the comprehensive support tools available online, including live chat with CAEs.

### **2. Free Security Software (*Condition XVI.2.l.iv*)**

To ensure that *Internet Essentials* users have a secure online experience, all *Internet Essentials* subscribers enjoy access to the Constant Guard all-in-one security dashboard (a \$360 value), at no additional charge. Constant Guard helps protect passwords, secure credit card information, and setup safe, one-click access to online accounts. In addition, Constant Guard includes the Norton Security Suite's top-rated tools for core protection against viruses and other cyber threats. *Internet Essentials* customers can also download a complimentary copy of Constant Guard Mobile for secure access to banking, shopping, e-mail and social networking accounts from smartphones and tablets.

### **3. Digital Literacy Training in Print, in Person, and Online (*Condition XVI.2.c.iv and XVI.2.l.v*)**

As detailed in last year's compliance report, Comcast developed and deployed an ambitious digital literacy strategy – one that extended beyond the original commitment the Company made to the Commission. *Internet Essentials* participants have the choice of using the printed digital literacy guides included in their service Welcome Kit, accessing the online courses featured in the online Learning Center, or signing up to attend an in-person training session hosted by one of Comcast's local CBO partners.

The online Learning Center (<http://learning.internetessentials.com>) serves as a central hub of online digital literacy training materials. The Learning Center is available in both English and Spanish, and features tutorials on how to set up e-mail, guard against viruses and other malware, keep children safe on the Internet, and locate useful resources.

In-person trainings are offered by CBOs who are already established as credible digital literacy training providers. In addition to Comcast sponsorship dollars, the enhanced training model encourages more participation in trainings as attendees regard these local CBOs as experts in the digital literacy space. Each of these sessions is promoted by the hosting CBO and course information is posted on the “In-Person Training” sub-page on the *Internet Essentials* website. Since the launch of Internet Essentials, Comcast and its CBO partners have sponsored more than 1,100 in-person digital literacy sessions, with nearly 20,000 attendees. These in-person digital literacy training sessions were delivered primarily in English and Spanish.

## II.

### **ANALYSIS OF THE PROGRAM’S EFFECTIVENESS**

#### **A. Key Performance Metrics**

##### **1. Number of Participants and Discounted Computers**

As of June 21, 2013, *Internet Essentials* has connected nearly 220,000 households to the power of the Internet – a number that represents almost 900,000 children and their families. The program also sold more than 18,000 low-cost computers.

##### **2. Effectiveness of the Awareness Campaign and Application Process**

Comcast carefully analyzed its own data and also commissioned third-party survey research in connection with the launch and continued rollout of *Internet Essentials* – including surveying families who signed up for the program and families who did not. Key metrics of the program’s effectiveness include the call statistics tracked by the dedicated *Internet Essentials* call center. Since launching *Internet Essentials* in the 2011 back-to-school season, the call center has received nearly 1,500,000 phone calls inquiring about the program. Call statistics through June 21, 2013 break-down as follows:

- 233,629 were ineligible for *Internet Essentials* (15.7% of the total and 19.4% of the callers who did not request applications).
- 143,874 calls were follow-ups to previous orders (9.7% of the total and 12% of the callers who did not request applications).
- 98,830 were dropped calls or hang ups (6.6% of the total and 8.2% of the callers who did not request an application).



- 726,756 were calls requesting general information about the program (48.8% of the total and 60.4% of the callers who did not request applications).
- 286,704 were calls that resulted in applications being sent (19.2% of the total). Of those:
  - 75.6% or 216,705 were submitted and accepted; 2.3% or 6,699 were submitted but returned to the customer for correction. Comcast followed up with these families by providing a replacement application and asking them to correct the application and then resubmit it for approval.
  - 22.1% or 63,300 were never returned by the customer. Comcast’s “resend and remind” program followed up with these families by providing a replacement application and asking them to complete the application and return it for approval.

### 3. General Satisfaction

Satisfaction with *Internet Essentials* continues to be very high: 90% of *Internet Essentials* customers surveyed are “highly satisfied” with the service, and 98% of these surveyed customers would recommend *Internet Essentials* to others.

Survey responses to usage questions showed that users are embracing their broadband connectivity: 85% of respondents said they use *Internet Essentials* to go online on a daily basis, and – more importantly – 98% of respondents said that the children in their household were making use of the service. A considerable number of survey participants (98%) said that they used the *Internet Essentials* service for school assignments. Of those that indicated school work use, 94% felt *Internet Essentials* had a positive impact on their child’s grades. Other popular uses included general research (94%), email (85%), social networking (73%), online bill payment (60%), and employment searches (58%). The majority of those that indicated use of *Internet Essentials* for employment searches felt *Internet Essentials* helped someone in the household locate or obtain a job.

The priority that Comcast has placed on customer care also received high marks from survey participants: 89% stated that they were “highly satisfied” with Comcast’s customer service and 90% of those who required an on-site Comcast technician to install their *Internet Essentials* service indicated they were satisfied with the installation. In addition, a very high number (86%) of survey respondents also said they were “highly satisfied” with the reliability of their *Internet Essentials* broadband connection.

## III.

### **SUMMARY OF ENHANCEMENTS TO THE PROGRAM**

The following sections summarize the enhancements made to the program since its August 2011 launch and outline the changes that will be implemented during 2013:

### **A. Enhancements Made Since the Program's Launch**

- **Expanded Eligibility.** Extended eligibility to families with children eligible to receive free or *reduced* price school lunches. This enhancement made an estimated additional 300,000 households in the Comcast service area eligible to participate in *Internet Essentials*, bringing the estimated total eligible population to 2.3 million families. And, on April 1, 2013, Comcast expanded the eligibility criteria yet again to include families with homeschooled, private, and parochial students who otherwise meet the NSLP eligibility criteria, bringing the total number of families eligible for *Internet Essentials* to nearly 2.6 million.
- **Instant Approval.** Implemented an instant approval process for families whose students attend any of the Provision 2 or NCES-validated schools with 75% or more NSLP participation across the Comcast footprint.
- **Bulk and On-Site Registration.** Launched a program that gives third parties such as schools and CBOs the ability to purchase *Internet Essentials* service and equipment in bulk for families in their community. Comcast also held on-site registration during *Internet Essentials* events all over the country.
- **Faster Connections.** Doubled the *Internet Essentials* customer downstream speed from 1.5Mbps service to 3Mbps service.
- **Enhanced e-Learning Tools.** Launched a revamped version of its online Learning Center to provide families with enhanced and dynamic content, including new interactive content in Spanish.
- **Easier Account Transfers.** Updated the “transfer of service” process for *Internet Essentials* customers to allow them to have their service transferred to a new home address in a Comcast service area without having to re-apply for *Internet Essentials*.
- **More Language Options.** Translated several *Internet Essentials* collaterals (e.g., one-page flyer, tri-fold flyer, poster, consumer brochure, and letter to parents) into 12 languages beyond English and Spanish, including: Arabic, Oromo, Somali, Tibetan, Mandarin Chinese, Haitian Creole, Portuguese, Hmong, Korean, Vietnamese, Polish, and Russian.

### **B. Enhancements to be Implemented in 2013**

As announced in March 2013, Comcast plans to continue improving *Internet Essentials* by making the following enhancements to the program in the coming months:

- Launch an *Internet Essentials* online application tool so eligible families whose children attend any of the instant approval schools can sign up for the service online, without having to fill out and send in additional documentation. Families with children that do not attend an instant approval school can use the online tool to

request that an application be sent to them by e-mail or regular mail. This tool will also allow Comcast and its partners to help families begin the process, on the spot, during community or back-to-school events, or during digital literacy training sessions.

- Expand the low-cost computer options to include desktop and laptop models in addition to a netbook.
- Begin to offer *Internet Essentials* Opportunity Cards so the non-profit partners and other can purchase up to a year of *Internet Essentials* service for qualified families.

## Appendix A

---

# ***Internet Essentials*** **Progress Report**

*March 2013*

---

# INTERNET ESSENTIALS<sup>SM</sup> 2013

Program Highlights  
at a Glance

---

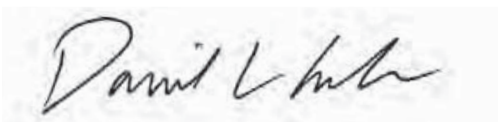
## INTERNET ESSENTIALS PROGRESS REPORT FOR 2013

Internet Essentials is our effort to accelerate access to the future that every American deserves—one in which there is ubiquitous availability of the transformative technology of the Internet. We are grateful to all of our partners—teachers, parents, school superintendents, administrators, elected officials, libraries, non-profits, and many more—who share our belief and our mission to get everyone connected and online. Our experience over the last 18 months since we launched Internet Essentials affirms that local communities strongly support this campaign and want to be a part of it.

There is a role for everyone—our company and other communications and technology companies, community organizations, schools, libraries, small businesses, cultural institutions, the faith-based community, and government—in helping to close the digital divide. For those who are connected, living without the Internet for one day is difficult to imagine. But for the millions of Americans who are not yet online, the economic, educational, health, and social benefits of being connected are lost. It is harder to keep up with schoolwork, harder to apply for a job, harder to claim tax credits. That is not right—and we all need to do our part to bridge that gap.

We have now reached a new milestone with over 600,000 low-income Americans connected to the Internet, most for the first time in their lives. That is good, but it is still not good enough. This year, we're doing even more to make it easier and faster for eligible families to get connected, including expanding eligibility for private, parochial and homeschooled students and developing an online application form that can be completed at a library or community center. We are firm in our commitment to Internet Essentials, and we invite everyone who shares that vision to work with us to create more digital opportunity in America.

Sincerely,

A handwritten signature in black ink, reading "David L. Cohen". The signature is fluid and cursive, with the first name "David" being the most prominent.

David L. Cohen  
*Executive Vice President*  
*Comcast Corporation*



# CONNECTING OUR COMMUNITIES

HERE'S WHAT WE'VE ACCOMPLISHED SO FAR

## Increased Internet Adoption

*"The Internet really empowers the parents to have that ownership over their child's grades and know what's going on inside the classroom."*

- Cheryl, 4th Grade Teacher,  
Atlanta, GA

Internet Essentials has connected **more than**

**150,000**  

households to the power of the Internet.

That's **more than**

**600,000**  

children and their families.

## Strengthened School District Engagement

Over

**30,000**  

schools in 39 states and D.C.  
are supporting our efforts to  
close the digital divide.

*"To have students be globally competitive, it's absolutely essential that they be connected to the Internet."*

- John Barry, Superintendent  
Aurora, CO Public Schools

## Expanded Opportunities

*"I have actually learned through my son. He's teaching me as well as we're teaching each other."*

- Internet Essentials Parent

**MORE THAN**

**15,000**  

computers sold to  
Internet Essentials families.

**OVER 10,000**  

people have attended in-person  
digital literacy training to develop  
the skills they need to participate in  
today's digital society and economy.

*"Now I can show my family at home how to use the Internet."*

- Digital Literacy Class Attendee

# NEW IN SPRING 2013

## Increasing Eligible Households



Now, all households with a student eligible to participate in the National School Lunch Program are eligible for Internet Essentials, including low-income private, parochial and homeschooled students.

## New Online Application

This spring, families will be able to request an application for Internet Essentials through an online form at **[InternetEssentials.com](http://InternetEssentials.com)**



## More Computer Options



We're offering laptops and desktops in select markets, with more cities to come later in the year.

## Opportunity Cards



Opportunity Cards can be used to purchase Internet Essentials service and provide eligible families with access to the Internet at home.

# GOLD MEDAL SCHOOL DISTRICT OF EXCELLENCE

To celebrate the outstanding work of our partnering school districts, Comcast will award the Internet Essentials Gold Medal School District of Excellence Award.



TOP  
15  
A+

This award will recognize the efforts of the top fifteen best-performing school districts connecting students to the power of the Internet at home.

**Winners will be announced in Fall 2013.**



In conjunction with the celebration of Comcast's 50th anniversary and as part of their award, each recognized school district will receive **50** laptops in honor of their commitment to Internet Essentials.

To learn more about the Comcast Internet Essentials Gold Medal School District of Excellence Award, please visit:

**[InternetEssentials.com/GoldMedal](http://InternetEssentials.com/GoldMedal)**



---

**Internet Essentials** from Comcast (InternetEssentials.com) is the nation's largest and most comprehensive broadband adoption program. It provides low-cost broadband service for \$9.95 a month plus tax; the option to purchase an Internet-ready computer for under \$150; and multiple options to access free digital literacy training in print, online, and in-person. Eligible families must have at least one child eligible to participate in the National School Lunch Program, including public, private, parochial and homeschooled students. We estimate a total of approximately 2.6 million eligible families live in our service area and therefore could apply for Internet Essentials. To spread the word, we have proactively reached out to more than 4,000 school districts, and over 30,000 schools, to distribute free brochures to families and students. More than 25 million pieces of literature have been shipped to both schools and non-profit partners who can order these materials, available in 14 languages, for free at [InternetEssentials.com/Partner](http://InternetEssentials.com/Partner).

---

## **INTERNET ESSENTIALS<sup>SM</sup> FROM COMCAST**

English: 1-855-8-INTERNET (1-855-846-8376)

Spanish: 1-855-SOLO-995 (1-855-765-6995)

[InternetEssentials.com](http://InternetEssentials.com) | [InternetBasico.com](http://InternetBasico.com)



## Appendix B

---

# Press Release

*Comcast Announces Super Bowl Winning  
Coach Tony Dungy to Serve as National Spokesman for  
Internet Essentials (Sep. 12, 2012)*



SEPT 20, 2012

## COMCAST ANNOUNCES SUPER BOWL WINNING COACH TONY DUNGY TO SERVE AS NATIONAL SPOKESMAN FOR INTERNET ESSENTIALS - A PROGRAM DESIGNED TO HELP CLOSE THE DIGITAL DIVIDE

Philadelphia, PA

Comcast Executive Vice President, David L. Cohen, today announced Tony Dungy has agreed to become a national spokesman for Internet Essentials. Now in its second year, Internet Essentials is an ambitious and comprehensive broadband adoption program designed to help close the digital divide among low-income Americans.

Since retiring as a coach in 2008, Dungy and his wife Lauren have been active in a number of charitable organizations including The Dungy Family Foundation, whose mission involves strengthening, sustaining and empowering communities by providing opportunities to those in need through education as well as emotional and financial support. He is a #1 New York Times bestselling author of two books *Quiet Strength* and *Uncommon* and is an analyst for NBC's *Football Night in America*. Tony Dungy led the Indianapolis Colts to victory in Super Bowl XLI.

"Tony Dungy is an incredible role model for athletes and young people," said Cohen. "Through his charitable foundation, he knows firsthand what challenges young people face today and how important it is to get a good education. We're honored that Tony has agreed to be a national spokesman for Internet Essentials and we're confident that his involvement will help us make even more progress to close the digital divide."

In its first full year of availability, Internet Essentials helped more than 100,000 families, or 400,000 Americans, gain access to the Internet at home, and Comcast continues to enhance the program with new features and processes designed to accelerate enrollment in the program.

"It's critical that low-income families take advantage of opportunities like the Internet Essentials program," said Dungy. "The Internet provides access to a world of knowledge and resources that kids and families today simply cannot live without. The world is moving too fast and families who are not online at home are being left behind. It's our responsibility to help level the playing field and get more families connected."

### Internet Essentials Program Details:

Internet Essentials addresses three primary barriers to broadband adoption that research has identified - a lack of understanding of how the Internet is relevant and useful, the cost of a home computer and the cost of the Internet service. Program participants receive:

- Residential Internet service for \$9.95 a month plus applicable taxes;
- No price increases, no activation fees, or equipment rental fees;
- A voucher to purchase a low-cost computer for \$149.99 plus tax; and
- Access to free digital literacy training in print, online and in-person.

### A household is eligible to participate if it meets all of the following criteria:

- Is located where Comcast offers Internet service;
- Has at least one child who is eligible to receive a free or reduced school lunch under the NSLP;
- Has not subscribed to Comcast Internet service within the last 90 days;



- Does not have an overdue Comcast bill or unreturned equipment.

Comcast will sign up eligible families in the program for at least three years, through the end of the 2013-2014 school year. Any household that qualifies during this three-year period will remain eligible for Internet Essentials if at least one child eligible for a free or reduced lunch remains living in the household.

For general information about Internet Essentials, please visit [www.internetessentials.com](http://www.internetessentials.com) for English, and visit [www.internetbasico.com](http://www.internetbasico.com) for Spanish. Educators or third-parties interested in helping to spread the word can find more information at [www.internetessentials.com/partner](http://www.internetessentials.com/partner). Parents looking to enroll in the program can call 1-855-846-8376 or, for Spanish, 1-855-765-6995.

**About Comcast Corporation:**

Comcast Corporation (Nasdaq: CMCSA, CMCSK) ([www.comcast.com](http://www.comcast.com)) is one of the nation's leading providers of entertainment, information and communications products and services. Comcast is principally involved in the operation of cable systems through Comcast Cable and in the development, production and distribution of entertainment, news, sports and other content for global audiences through NBCUniversal. Comcast Cable is one of the nation's largest video, high-speed Internet and phone providers to residential and business customers. Comcast is the majority owner and manager of NBCUniversal, which owns and operates entertainment and news cable networks, the NBC and Telemundo broadcast networks, local television station groups, television production operations, a major motion picture company and theme parks.

## Appendix C

---

# Sample Promotional Materials

*2013 Back-to-School Campaign*



Exhibit 52.3

How far does  
your daughter  
have to go to  
get online?

## INTERNET ESSENTIALS<sup>SM</sup> FROM COMCAST

Even today, many kids have to take a bus or the subway just to do their homework online. Your kids deserve the chance to do their homework on a computer at home.

With Internet Essentials from Comcast, your family can:

- Do homework
- Type book reports
- Email teachers
- Get online tutoring
- Take online classes
- Research colleges

You may qualify for Internet Essentials if your child is eligible to participate in the National School Lunch Program.

To learn more or apply, visit: **InternetEssentials.com**

Or call: **1-855-8-INTERNET (1-855-846-8376)**

### AFFORDABLE INTERNET

**\$9<sup>95</sup>**  
a month  
+ tax

- No price increases
- No activation fees
- No equipment rental fees

### A LOW-COST COMPUTER

**\$149<sup>99</sup>** + tax Available at  
initial enrollment

### FREE INTERNET TRAINING

InternetEssentials.com/learning  
Online, in person and in print

Restrictions apply. Not available in all areas. Limited to XFINITY Internet Economy Plus service for new residential customers meeting certain eligibility criteria. Advertised price applies to a single outlet. Actual speeds vary and are not guaranteed. After initial participation, if a customer is determined to be no longer eligible for the program but continues to receive Comcast service, regular rates will apply. Subject to Internet Essentials program terms and conditions. Call 1-855-846-8376 for restrictions and complete details, or visit InternetEssentials.com. ©2013 Comcast. All rights reserved. Internet Essentials is a program to provide home Internet service for families. It is not a school program, and is not endorsed or required by your school. Your school is not responsible for Internet Essentials accounts.

  
**COMCAST**





Exhibit 52.3

## ¿Hasta dónde tiene que ir tu hija para conectarse al Internet?

### SERVICIO DE INTERNET BÁSICO<sup>SM</sup> DE COMCAST

Hoy en día, muchos niños tienen que tomar un autobús o viajar en metro para hacer su tarea usando el Internet. Tu hijo se merece la oportunidad de hacer su tarea en casa y en una computadora.

Con el Servicio de Internet Básico<sup>SM</sup> de Comcast, tu familia puede:

- Hacer su tarea
- Acceder a tutoriales en línea
- Escribir reportes escolares
- Tomar clases en el internet
- Mandar correos a maestros
- Buscar universidades

Tú podrías calificar para el Servicio de Internet Básico<sup>SM</sup> de Comcast si tu hijo califica para participar en el Programa Nacional de Almuerzos Escolares.

Para más información o solicitar el servicio, visita: **InternetBasico.com**  
O llama al: **1-855-SOLO-995 (855-765-6995)**

### INTERNET A UN PRECIO ACCESIBLE

**\$9<sup>95</sup>**  
al mes  
+ impuestos

Sin:  
• Aumentos de precio  
• Cargo de activación  
• Cargo de alquiler del equipo

### UNA COMPUTADORA DE BAJO COSTO

**\$149<sup>99</sup>**  
+ impuestos

### Capacitación de Internet **GRATUITA**

InternetBasico.com/aprender  
Disponible en el Internet, en  
materiales impresos y en persona.

Aplican restricciones. No está disponible en todas las áreas. Limitado al servicio XFINITY<sup>®</sup> Internet Economy Plus para nuevos clientes residenciales que cumplan con ciertos criterios. El precio publicado aplica a una sola conexión. Las velocidades pueden variar y no están garantizadas. Después de la participación inicial, si el cliente ya no es elegible para continuar en el programa pero continúa recibiendo el servicio de Comcast, se aplicarán las tarifas regulares. Sujeto a los términos y las condiciones del programa Internet Básico de Comcast. Llame al 1-855-SOLO-995 (1-855-765-6995) para restricciones y más detalles o visite InternetBasico.com. Comcast © 2013. Derechos Reservados. El Servicio de Internet Básico es un programa para proporcionar servicio de Internet para el hogar a familias. No es un programa escolar, y no está respaldado ni requerido por su escuela. Su escuela no es responsable de las cuentas de Internet de Servicio Básico.

  
**COMCAST**



# Now your family has an easier way to do homework, look for a job and keep in touch.

With Internet Essentials from Comcast, your family can:

- **Do homework**
- **Type book reports**
- **Email teachers**
- **Look for jobs**
- **Pay bills**
- **Find doctors**

Enrolled families may also purchase a low-cost computer, and anyone can access our free online Learning Center, with a library of videos and other resources that help you create a safe, secure and fun online experience for your family. Just visit [InternetEssentials.com/learning](http://InternetEssentials.com/learning).

To qualify for Internet Essentials, your household must meet all of these criteria:

- Is located where Comcast offers Internet service
- Has at least one child eligible to participate in the National School Lunch Program
- Has not subscribed to Comcast Internet service within the last 90 days
- Does not have an overdue Comcast bill or unreturned equipment

To learn more or apply, visit: [InternetEssentials.com](http://InternetEssentials.com) Or call: **1-855-8-INTERNET (1-855-846-8376)**

## AFFORDABLE INTERNET

**\$9<sup>95</sup>**  
a month  
+ tax

- No price increases
- No activation fees
- No equipment rental fees

## A LOW-COST COMPUTER

**\$149<sup>99</sup>**  
+ tax  
enrollment

Available  
at initial  
enrollment

## FREE INTERNET TRAINING

Available online, in print  
and in person

# Opportunity for your family is online.

INTERNET ESSENTIALS<sup>SM</sup>  
FROM COMCAST

Restrictions apply. Not available in all areas. Limited to XFINITY® Internet Economy Plus service for new residential customers meeting certain eligibility criteria. Advertised price applies to a single outlet. Actual speeds vary and are not guaranteed. After initial participation, if a customer is determined to be no longer eligible for the program but continues to receive Comcast service, regular rates will apply. Subject to Internet Essentials program terms and conditions. Call 1-855-846-8376 for restrictions and complete details, or visit [InternetEssentials.com](http://InternetEssentials.com). ©2013 Comcast. All rights reserved. Internet Essentials is a program to provide home Internet service for families. It is not a school program, and is not endorsed or required by your school. Your school is not responsible for Internet Essentials accounts.



COMCAST

# Ahora tu familia tiene una mejor manera de hacer la tarea, buscar un trabajo y mantenerse en contacto.

Con el Servicio de Internet Básico de Comcast, tu familia puede:

- Hacer su tarea
- Mandar correos a maestros
- Buscar trabajo
- Buscar médicos
- Escribir reportes escolares
- Pagar cuentas

Las familias suscritas también podrán obtener una computadora de bajo costo, así como acceso gratuito a nuestro Centro de Aprendizaje por el Internet, con una librería de videos y otros recursos para que tu familia tenga una experiencia segura y divertida por el Internet. Visita [InternetBasico.com/aprender](http://InternetBasico.com/aprender).

Para calificar para El Servicio de Internet Básico, tu casa debe cumplir con los siguientes requisitos:

- Encontrarse donde Comcast ofrece el servicio de Internet
- Tener al menos un hijo que califique para participar en el Programa Nacional de Almuerzos Escolares
- No haber estado suscrito al servicio de Internet de Comcast en los últimos 90 días
- No tener una cuenta vencida o equipo de Comcast que no hayas devuelto

Para más información o solicitar el servicio, visita: [InternetBasico.com](http://InternetBasico.com) O llama al: **1-855-SOLO-995 (855-765-6995)**

## INTERNET A UN PRECIO ACCESIBLE

**\$9<sup>95</sup>**  
al mes  
+ impuestos

Sin:

- Aumentos de precio
- Cargo de activación
- Cargo de alquiler del equipo

## UNA COMPUTADORA DE BAJO COSTO

**\$149<sup>99</sup>**

+ impuestos  
Disponible al suscribirte

## Capacitación de Internet GRATUITA

[InternetBasico.com/aprender](http://InternetBasico.com/aprender)  
Disponible en el Internet, en materiales impresos y en persona.

Aplican restricciones. No está disponible en todas las áreas. Limitado al servicio XFINITY® Internet Economy Plus para nuevos clientes residenciales que cumplan con ciertos criterios. El precio publicado aplica a una sola conexión. Las velocidades pueden variar y no están garantizadas. Después de la participación inicial, si el cliente ya no es elegible para continuar en el programa pero continúa recibiendo el servicio de Comcast, se aplicarán las tarifas regulares. Sujeto a los términos y las condiciones del programa Internet Básico de Comcast. Llame al 1-855-SOLO-995 (1-855-765-6995) para restricciones y más detalles o visite [InternetBasico.com](http://InternetBasico.com). Comcast © 2013. Derechos Reservados. El Servicio de Internet Básico es un programa para proporcionar servicio de Internet para el hogar a familias. No es un programa escolar, y no está respaldado ni requerido por su escuela. Su escuela no es responsable de las cuentas de Internet de Servicio Básico.

# Las oportunidades para tu familia están en el Internet.

SERVICIO DE INTERNET  
BÁSICO<sup>SM</sup> DE COMCAST

COMCAST



**Declaration of Jeffrey Pollock**

**A. Qualifications**

1. I am a Founding Partner and President of Global Strategy Group (“GSG”), a national marketing research and public affairs firm. Since GSG was founded in 1994, I have served as its President and have led its research practice. I also have served as an adjunct professor at Columbia University’s School of International and Public Affairs (“SIPA”) since 1998, and I have guest lectured at the United States Military Academy, the George Washington University Graduate School of Political Management, and the Fels School of Government at the University of Pennsylvania.

2. My fields of expertise include market research, survey methodology, and business and political strategy. As a consultant to major corporations, I have conducted or supervised more than 500 surveys (using both online and telephone methodologies) of consumer preferences and behavior. In addition, I have conducted or supervised thousands of voter attitude and behavior surveys as a political consultant. My survey research – whether looking at individuals as consumers or as political participants – focuses on measuring individuals’ preferences among competing alternatives and identifying the drivers behind the choices they make.

3. I graduated *cum laude* from the University of Pennsylvania with an Honors Bachelor of Arts degree in American History, and I hold a Master’s in Public Policy and Administration with a concentration in Advanced Statistical Analysis from Columbia’s School of International and Public Affairs.

**B. Assignment**

4. At the request of counsel for Comcast Corporation (“Comcast”), I led a GSG research team in conducting a survey designed to measure how cable broadband<sup>1</sup> consumers in the United States likely would react to their Internet Service Provider (“ISP”) blocking or degrading access to Internet edge providers. The survey also was designed to measure the extent to which cable broadband consumers view wireless broadband service as a satisfactory alternative to fixed broadband services. The survey also included questions about cable broadband consumers’ history of switching ISPs.

**C. Survey Results**

5. The survey found that significant majorities of cable broadband consumers would be likely<sup>2</sup> to switch ISPs – including to a DSL or wireless provider, or even to a provider with slower speeds – if their ISP blocked or degraded their access to edge providers. It also found that a significant subset of cable broadband consumers view wireless broadband to be a satisfactory alternative to cable broadband services, even for high-bandwidth activities.

6. Among the survey’s principal findings, the vast majority of cable broadband consumers would be likely to switch to a different ISP if their ISP prevented access to their favorite websites (89%), slowed down Internet speeds for their favorite websites (88%), slowed down streaming or download speeds for movies or TV shows

---

<sup>1</sup> I use “cable broadband” to refer to fixed broadband Internet service offered by cable companies or telephone companies.

<sup>2</sup> In describing the survey results, I use “likely” to refer to the total of “very likely” and “somewhat likely” responses.

(82%), or slowed down Internet speeds for Netflix so that movies stream or download slowly (79%).

7. Cable broadband consumers' likelihood of switching remained extremely high when they were asked about switching to a DSL or wireless broadband provider. Most cable broadband consumers indicated they would be likely to switch to a DSL or wireless broadband provider in response to a degradation of service by their ISP, such as preventing access to their favorite websites (86%), slowing down Internet speeds for their favorite websites (84%), slowing down streaming or download speeds for movies or TV shows (79%), or slowing down Internet speeds for Netflix so that movies stream or download slowly (76%).

8. Cable broadband consumers' likelihood of switching also remained very high when they were asked about switching to a provider that offers slower speeds. Again, most cable broadband consumers would be likely to switch to a provider offering slower speeds in response to a degradation of service by their ISP, such as preventing access to their favorite websites (80%), slowing down Internet speeds for their favorite websites (77%), slowing down streaming or download speeds for movies or TV shows (73%), or slowing down Internet speeds for Netflix so that movies stream or download slowly (71%).

9. The survey also found that 59% of cable broadband consumers use wireless or mobile broadband either as frequently as (36%) or more frequently than (23%) they use cable broadband service for low-bandwidth activities, and 41% use wireless or mobile broadband either as frequently as (25%) or more frequently than (16%) they use cable broadband for high-bandwidth activities.

10. The survey found that one-third of survey respondents have switched providers during the prior two years, and nearly half (49%) have switched providers during the prior four years.

**D. Survey Methodology**

11. The population under study was adults that (i) live in households in the United States that subscribe to broadband Internet service provided by a cable company or a telephone company, and (ii) are decision-makers as to the household's broadband service.

12. We conducted the survey using a reputable online panel provider that actively manages its panel in order to maintain the most up-to-date and representative sampling possible. Our panel partner uses a "by-invitation-only" methodology, partnering with a diverse set of globally recognized consumer and business-focused brands to invite everyday consumers into the panel. This recruitment approach has proven to yield the highest level of panel quality and representativeness, and guards against duplication, fraudulent respondents, and professional survey takers.

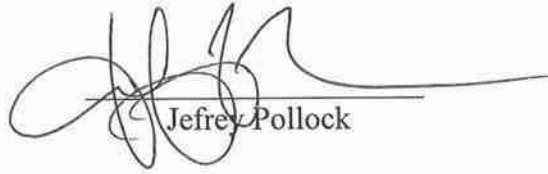
13. Our online survey measured the responses of 1,012 such adults. We employed broad quotas by age, gender, race, and region to draw a sample that was statistically representative of the population under study.

14. After we completed our survey, we then checked to see whether the sample of respondents we had drawn had the same distribution of those demographic characteristics measured in prior survey research. Since our sample was not perfectly representative (as is always the case when sampling), we applied an industry-standard approach to construct a set of survey weights that we used to adjust the sample. We then

assigned a post-stratification weight to each survey respondent. Respondents who were under-represented in the sample have a weight greater than one, and respondents who were over-represented have a weight that is less than one. The weights were used in the analysis when calculating any estimate, as each reported value represents a weighted average of each individual's response multiplied by his or her weight.

15. The survey results have a margin of error of 3.1%.

I declare under penalty of perjury that the foregoing is true and correct.  
Executed on September 5<sup>th</sup>, 2014.



Jeffrey Pollock



Copyright 2014  
Comcast 2014 Broadband Survey

July 10 - 14, 2014  
6476

1012 Interviews  
Margin of Error: +/- 3.1%

**D400.** In what state do you live?

Northeast .....	18%
Midwest .....	21
South .....	37
West .....	24

**D101.** What is your age?

18-29 .....	22%
30-44 .....	26
45-54 .....	19
55-64 .....	15
65+ .....	17

**SEX.** What is your gender?

Male .....	49%
Female .....	51

**D300.** And just to make sure we have a representative sample, what is your race?

Black/African-American .....	12%
White/Caucasian .....	66
Hispanic/Latino .....	14
Asian-American .....	5
Other (SPECIFY) .....	3

**Q1.** What kinds of Internet connections do you have at home?

High-speed/Broadband from cable company .....	73%
High-speed/Broadband from phone company .....	28
Wireless or mobile broadband service .....	12
DSL from phone company .....	1
Other type of broadband or high-speed connection .....	*
Not sure, but have Internet connection at home .....	-
Not connected to the Internet at home .....	-

**Q2. [DID NOT ANSWER WIRELESS IN Q1]** Do you have a wireless or mobile broadband service that allows you to connect to the Internet with a mobile device (this does not include devices that only connect to Wi-Fi)? Examples of wireless or mobile broadband service include an AT&T data plan for your smartphone, iPad, or tablet; or a Verizon data plan for your Jetpack mobile-hotspot device?

Yes .....	58%
No .....	42

**Q3.** Thinking about who makes the decisions in your household when it comes to Internet service, would you say you are solely responsible for making the decisions, do you make the decisions jointly with other members in your household, or are you not involved in making the decisions about Internet service?

Solely responsible for making the decisions .....	51%
Make joint decisions with other members in household ..	49
Not involved in making the decisions .....	-



**Q4.** Thinking about the kinds of activities that you and other members of your household use the Internet for, how often would you or someone in your household say you do each of the following?

	<u>Daily</u>	<u>Weekly</u>	<u>Monthly</u>	<u>Rarely</u>	<u>Never</u>
• Browse the Internet.....	91%	6	1	*	1
• Send and receive e-mail. ....	90%	6	2	1	1
• Use social media sites such as Facebook, Twitter, Pinterest, Instagram, etc.....	61%	15	5	6	12
• Use streaming video applications like YouTube, Netflix, Amazon Prime Instant Video, Hulu, etc. ....	39%	29	10	12	11
• Use streaming music applications like Spotify, Pandora, iTunes, etc. ....	25%	22	15	17	21
• Play online games including multiplayer online games like World of Warcraft. ....	21%	10	8	18	42
• Download or upload hi-resolution photos and videos. ....	16%	27	23	21	12
• Upload or download files to or from cloud sharing or backup sites like Dropbox or Google Drive.....	11%	18	16	24	31
• Use video conferencing like Skype, Facetime, etc. ....	7%	17	16	31	29
• Use file-sharing applications such as BitTorrent and LimeWire. ....	4%	4	6	18	69

**Q5. [HAVE WIRELESS CONNECTION]** Once again, thinking about the kinds of activities that you and other members of your household use the Internet for, how often do you use your 'wireless or mobile broadband service' compared to your 'cable broadband internet' for each of the following

**"Wireless or mobile broadband service"** allows you to connect to the internet with a mobile device (this does not include devices that only connect to Wi-Fi). Examples of wireless or mobile broadband service include an AT&T data plan for your smartphone, iPad, or tablet; or a Verizon data plan for your Jetpack mobile-hotspot device.

**"Cable broadband internet"** is a high-speed internet connection through your phone or cable company and includes cable Wi-Fi accessible on your mobile devices.

	<b>WIRELESS</b>		<b>Equally both</b>	<b>CABLE</b>		<b>NET</b>	
	<u>Always</u>	<u>Most of the time</u>		<u>Most of the time</u>	<u>Always</u>	<u>MOSTLY WIRELESS</u>	<u>MOSTLY CABLE</u>
• Low-bandwidth activities such as browsing the internet, sending and receiving email, and using social media sites like Facebook, Twitter, Pinterest, Instagram, etc. ....	11%	12	36	27	13	23%	40
• High-bandwidth activities such as streaming media applications like YouTube, Netflix, Hulu, etc. ....	10%	6	25	33	25	17%	58

**Q6.** If you had to classify your household overall as a light, medium, or heavy user of the Internet, which would you choose?

Light Internet User .....	8%
Medium Internet User .....	48
Heavy Internet User.....	44

**Q7.** If your Internet Service Provider took the following action, how likely would you be to switch your Internet service to another Internet Service Provider?

	LIKELY		NOT LIKELY		NET	
	<u>Very</u>	<u>Somewhat</u>	<u>Not very</u>	<u>Not at all</u>	<u>LIKELY</u>	<u>NOT LIKELY</u>
• Prevent access to your favorite websites.....	81%	9	4	7	89%	11
• Put your account in a "slow lane," which would only allow you to do basic things online.....	77%	11	6	6	89%	11
• Slow down Internet speeds for your favorite websites, so that the webpages load slowly.....	69%	19	7	6	88%	12
• Slow down the downloading speeds of photos or videos from your email. ....	51%	31	12	6	82%	18
• Slow down streaming or downloading speeds of movies or TV shows, so that the video is jumpy and stops in places or has lower-quality resolution.....	63%	19	10	8	82%	18
• <b>[SPLIT A]</b> Provide faster loading of a website that agrees to pay your Internet Service Provider, <u>while slowing down Internet speeds</u> for websites that do not pay your Internet Service Provider.....	44%	36	14	5	80%	20
• Slow down Internet speeds for Netflix, so that movies and TV shows stream or download slowly, the video is jumpy and stops in places, or the video has lower-quality resolution.....	62%	17	12	8	79%	21
• <b>[SPLIT B]</b> Provide faster loading of a website that agrees to pay your Internet Service Provider, <u>while Internet speeds remain the same</u> for websites that do not pay your Internet Service Provider. ....	30%	33	28	8	63%	37

As you may know...

A **cable broadband Internet service** is typically offered by your local cable company and uses cable TV wires to deliver Internet service through a cable modem.

A **fiber-optic broadband Internet service** is typically offered by companies like Verizon FIOS or Google Fiber and uses fiber-optic wires built to your home to deliver Internet service through a modem.

A **DSL Internet service** is typically offered by your local phone company and uses the telephone wires in your home to deliver Internet service through a DSL modem.

A **wireless broadband Internet service** is typically offered by mobile phone providers (e.g., Verizon Wireless, AT&T Wireless, and T-Mobile Wireless). This service is often portable so you can have Internet access outside your home.

**Q8.** And if your Internet Service Provider took the following action, how likely would you be to switch your Internet service to another provider like **DSL or Wireless broadband**?

	LIKELY		NOT LIKELY		NET	
	<u>Very</u>	<u>Somewhat</u>	<u>Not very</u>	<u>Not at all</u>	<u>LIKELY</u>	<u>NOT LIKELY</u>
• Prevent access to your favorite websites.....	69%	17	8	6	86%	14
• Put your account in a "slow lane," which would only allow you to do basic things online.....	65%	21	9	6	85%	15
• Slow down Internet speeds for your favorite websites, so that the webpages load slowly.....	59%	25	10	6	84%	16
• Slow down streaming or downloading speeds of movies or TV shows, so that the video is jumpy and stops in places or has lower-quality resolution.....	53%	27	13	8	79%	21
• <b>[SPLIT A]</b> Provide faster loading of a website that agrees to pay your Internet Service Provider, <u>while slowing down Internet speeds</u> for websites that do not pay your Internet Service Provider.....	43%	36	14	8	78%	22
• Slow down the downloading speeds of photos or videos from your email. ....	48%	30	15	7	78%	22
• Slow down Internet speeds for Netflix, so that movies and TV shows stream or download slowly, the video is jumpy and stops in places, or the video has lower-quality resolution.....	52%	24	16	8	76%	24
• <b>[SPLIT B]</b> Provide faster loading of a website that agrees to pay your Internet Service Provider, <u>while Internet speeds remain the same</u> for websites that do not pay your Internet Service Provider. ....	29%	36	25	11	64%	36

**Q9.** If your Internet Service Provider took the following action, how likely would you be to switch to an Internet Service Provider that offers slower speeds but that does *not* take such action, such as the other provider streams Netflix and other videos without taking action to slow down the streaming speed or to lower the resolution?

	LIKELY		NOT LIKELY		NET	
	<u>Very</u>	<u>Somewhat</u>	<u>Not very</u>	<u>Not at all</u>	<u>LIKELY</u>	<u>NOT LIKELY</u>
• Prevent access to your favorite websites.....	55%	25	13	7	80%	20
• Put your account in a "slow lane", which would only allow you to do basic things online.....	50%	28	14	8	78%	22
• Slow down Internet speeds for your favorite websites, so that the webpages load slowly.....	45%	32	16	7	77%	23
• Slow down the downloading speeds of photos or videos from your email. ....	38%	36	19	8	74%	26
• Slow down streaming or downloading speeds of movies or TV shows, so that the video is jumpy and stops in places or has lower-quality resolution.....	40%	33	18	9	73%	27

**Q9.** If your Internet Service Provider took the following action, how likely would you be to switch to an Internet Service Provider that offers slower speeds but that does *not* take such action, such as the other provider streams Netflix and other videos without taking action to slow down the streaming speed or to lower the resolution?

	LIKELY		NOT LIKELY		NET	
	<u>Very</u>	<u>Somewhat</u>	<u>Not very</u>	<u>Not at all</u>	<u>LIKELY</u>	<u>NOT LIKELY</u>
• <b>[SPLIT A]</b> Provide faster loading of a website that agrees to pay your Internet Service Provider, <u>while slowing down Internet speeds</u> for websites that do not pay your Internet Service Provider.....	35%	36	22	6	71%	29
• Slow down Internet speeds for Netflix, so that movies and TV shows stream or download slowly, the video is jumpy and stops in places, or the video has lower-quality resolution.....	39%	32	19	10	71%	29
• <b>[SPLIT B]</b> Provide faster loading of a website that agrees to pay your Internet Service Provider, <u>while Internet speeds remain the same</u> for websites that do not pay your Internet Service Provider. ....	27%	36	26	10	64%	36

**Q10.** When was the last time you switched Internet Service Providers?

In the past 6 months .....	7%
6-12 months ago.....	10
1-2 years ago.....	16
3-4 years ago.....	16
5 years or more .....	27
Never switched Internet Service Providers .....	24

**Q11. [SWITCHED ISP]** Why did you switch Internet Service Providers?

Moved.....	40%
Received a faster or higher performance Internet connection .....	34
Received a better price for Internet service.....	33
Received a bundle of Internet, TV, and/or phone services from a single company .....	28
Received poor customer service from your old Internet Service Provider .....	12
Experienced poor network reliability, like frequent outages, from your old Internet Service Provider .....	13
Received more features like online storage .....	1
Other (PLEASE SPECIFY).....	3

**Q12.** Thinking for a moment about smartphones ... Do you own a smartphone?

Yes .....	78%
No .....	22
Don't know .....	*

**Q13. [OWN A SMARTPHONE]** Do you have a wireless data plan for your smartphone?

Yes .....	96%
No .....	4

**Q14. [OWN A SMARTPHONE]** Who is your wireless provider?

Verizon Wireless.....	35%
AT&T Mobility .....	30
T-Mobile US.....	14
Sprint .....	13
U.S. Cellular .....	*
Other (PLEASE SPECIFY).....	8

**Q15. [HAVE DATA PLAN]** And how many hours would you say you spend online each week on your smartphone outside of your home?

Less than 10 .....	64%
10-19 .....	17
20-29 .....	10
30-49 .....	5
50+ .....	4
MEAN .....	11.0

**Q16. [HAVE DATA PLAN]** Thinking about your data usage plan for your smartphone... Would you say you subscribe to the plan for low, medium, high, or unlimited gigabyte usage?

Low .....	21%
Medium .....	36
High .....	12
Unlimited .....	32

**Q17. [OWN A SMARTPHONE]** Which apps or websites do you visit regularly using your smartphone?

Google .....	66%
Facebook .....	62
YouTube .....	45
Weather Channel .....	37
Amazon .....	34
Pandora .....	30
Yahoo! .....	27
Netflix .....	21
ESPN .....	20
Instagram .....	20
Wikipedia .....	20
eBay .....	19
Twitter .....	18
Pinterest .....	16

Craigslist .....	14
LinkedIn .....	12
Zillow .....	10
CNN .....	10
Bing .....	7
Huffington Post .....	6
New York Times .....	6
Spotify .....	6
Buzzfeed .....	6
Tumblr .....	3
Reddit .....	3
Other (SPECIFY) .....	8
None of the above .....	4

**Q18. Who is your Internet Service Provider?**

AOL .....	1%
AT&T DSL .....	*
AT&T U-verse .....	14
Cable One .....	1
Cablevision Optimum .....	4
CenturyLink .....	3
Charter .....	5
Comcast Xfinity .....	30
Cox .....	7
EarthLink .....	*
Frontier .....	1
Juno .....	-
Mediacom .....	1
MSN .....	*
Net Zero .....	-
Suddenlink .....	1
Time Warner Cable .....	14
Verizon FIOS .....	9
Verizon DSL .....	*
Windstream .....	*
Other (PLEASE SPECIFY) .....	9

**Q19. How many hours do you spend on the Internet each week for personal reasons [FROM WORK, HOME OR ELSEWHERE]?**

Less than 10 .....	19%
10-19 .....	32
20-29 .....	21
30-49 .....	17
50+ .....	10
MEAN .....	22.7

**Q20.** How many people in your home use your broadband Internet connection?

0.....	1%
1.....	20
2.....	44
3.....	16
4.....	12
5.....	4
6.....	1
7.....	*
8.....	-
9.....	-
10 or more .....	*
MEAN .....	2.38

**D103.** What is the last grade that you completed in school?

Some grade school.....	-
Some high school .....	1
Graduated high school .....	13
Technical/Vocational school.....	4
Some college.....	35
Graduated college .....	27
Graduated with a professional degree .....	20
I prefer not to say.....	*

**D106.** How would you describe the place you live? Is it within the city limits of a major city, in a suburban area, in a small town, or in a rural area?

Major city .....	27%
Suburban .....	51
Small town .....	17
Rural .....	6

**D112.** Do you have any children under the age of 18 currently living at home with you?

Yes .....	26%
No .....	74

**D900.** And, what would you say is your total household income before taxes?

Less than \$15,000 .....	7%
\$15,000 to \$25,000.....	8
\$25,001 to \$40,000.....	11
\$40,001 to \$55,000.....	10
\$55,001 to \$75,000.....	16
\$75,001 to \$100,000.....	13
\$100,001 to \$125,000 .....	8
\$125,001 to \$150,000 .....	5
\$150,001 to \$200,000 .....	5
More than \$200,000 .....	5
I prefer not to say.....	11



Exhibit 76.1



## Heavy Reading: Cable Biz Sales to Hit \$8.5B

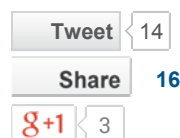


### NEWS ANALYSIS

CAROL WILSON,  
Editor-at-large

12/4/2013

 COMMENT (5)



NEW YORK -- [Future of Cable Business Services](#) -- Major US cable operators are on track to reach \$8.5 billion in commercial service revenues this year, up more than 20% from nearly \$7 billion a year ago, according to the latest research from Heavy Reading.

In his opening presentation here Wednesday, Light Reading Cable/Video Practice Leader Alan Breznick said US cable commercial revenues are still growing so strongly that they could hit \$10 billion next year. Yet, even with that growth, there is still plenty of business opportunity left for cable, which today takes home just 6% of the annual US business telecom spend, he said.

[Comcast Corp.](#) (Nasdaq: CMCSA, CMCSK) continues to lead the pack with \$2.4 billion in revenue through the third quarter of this year, nearly matching its full-year total of 2012. At this pace, Comcast will almost certainly become the first MSO to crack the \$3 billion barrier for the full year, just a year after it became the first to reach \$2 billion.

[Time Warner Cable Inc.](#) (NYSE: TWC) follows with \$1.7 billion, close to its \$1.9 billion for all of 2012. As a result, TW Cable will easily become the second MSO to cross the \$2 billion line by year's end.

Privately owned [Cox Communications Inc.](#), which was once the cable leader, is now well behind in third place with \$1.2 billion, according to Heavy Reading estimates. But Cox, which took in an estimated \$1.4 billion for all of 2012, is still well ahead of last year's pace.

[Charter Communications Inc.](#) has totaled \$594 million through three quarters this year, also easily ahead of last year's performance. [Cablevision Systems Corp.](#) (NYSE: CVC)'s Lightpath unit has taken in \$247.6 million so far this year while [Suddenlink Communications](#) has collected \$229.2 million, rounding out the list. No figures or estimates are available for privately owned [Bright House Networks](#).

"The only MSO not showing strong growth right now is Cablevision Systems' Lightpath unit, which focuses on mid-sized and larger firms," Breznick says. "That's why Cablevision execs said they would address the unit's laggard growth on the company's last earnings call."

For all that growth, however, cable is just beginning to tap its potential, Breznick notes. The US market of 27 million companies spends an estimated \$130 billion to \$140 billion on telecom services annually, meaning cable takes home only

about 6% of that. Cable has particular opportunity in the very small and SMB market spaces, which represent the vast majority of the total number.

"Not only are these businesses that might feel neglected by their current service providers, but they commonly have access to cable hybrid fiber-coax (HFC) networks," Breznick notes. "The cable industry's HFC lines already pass more than three-quarters of the SMBs in the US."

The market opportunity in the very small/SMB market varies from about \$50 billion for Comcast, to \$21 billion for TWC, more than \$10 billion for Cox, \$9.5 billion for Charter, and up to \$6 billion for Cablevision.

One thing cable must do to capture more of that opportunity, however, is to improve its business data satisfaction ratings, Breznick notes. Cable actually does well among very small businesses -- those with fewer than 20 employees. Four cable operators, led by Cox but including Cablevision, Charter, and Comcast, outranked [Verizon Communications Inc.](#) (NYSE: VZ), [AT&T Inc.](#) (NYSE: T) and [CenturyLink Inc.](#) (NYSE: CTL) in the [J.D. Power and Associates](#) 2013 US Business Wireline Satisfaction Study. Only Time Warner Cable struggles with this market segment.

Yet, in the SMB segment, only Cox outlasted Verizon and [Frontier Communications Corp.](#) (NYSE: FTR) in the J.D. Power ratings. And in the enterprise segment, Time Warner Cable was the only MSO that scored well, beating Verizon and CenturyLink to top the list.

Breznick noted that cable still seems to be hurting from the persistent public perception that its services don't match the telecom players for quality and assurance. In a recent non-scientific poll on the Light Reading site, one third of respondents said cable's "poor reputation for service performance and reliability" was the industry's single biggest challenge. (See [Cable Can't Shake Poor Reputation.](#))

— Carol Wilson, Editor-at-Large, [Light Reading](#)

 (5) | [COMMENT](#) | [EMAIL THIS](#) | [PRINT](#) | [RSS](#)

[Small Business](#)
[Shop](#)

[Solutions](#)
[Support](#)

[Bundles](#)
[Wireless](#)
[Apps and Services](#)
[Business Phone](#)
[Internet](#)
[Business TV](#)
[Special Offers](#)

Need help? Chat available  
Call 1-888-944-0447  
M-F, 9am-6pm

Shop / Internet / Internet Access

## Internet Access

Prices start as low as **\$24.99/month**

**New lower pricing - online only**  
Order new AT&T U-verse® High Speed Internet, and for a limited time get new lower rates.  
**\*\*Discount applied in shopping cart.\*\***  
Minimum 12-month term required. Subject to availability. See offer details.

Choose the Package That's Right for You. It's Easy!

Showing products for California Change location

	AT&T High Speed Internet Direct	AT&T High Speed Internet	AT&T U-verse® High Speed Internet - Business Edition	AT&T U-verse® High Speed Internet - Business Edition
Downstream Speed <sup>(?)</sup>	768.0 Kbps to 6.0 Mbps	768.0 Kbps to 6.0 Mbps	768.0 Kbps to 45.0 Mbps	768.0 Kbps to 45.0 Mbps
Upstream Speed <sup>(?)</sup>	384.0 Kbps to 768.0 Kbps	384.0 Kbps to 768.0 Kbps	384.0 Kbps to 6.0 Mbps	384.0 Kbps to 6.0 Mbps
Local Calling Required <sup>(?)</sup>	No	Yes	No	Yes
Installation <sup>(?)</sup>	Professional and Self Installation	Professional and Self Installation	Professional Installation	Professional Installation
Term Length <sup>(?)</sup>	12 Months	12 Months	12 Months	12 Months

Starting at **\$45.00** per month

Add to Cart

Starting at **\$35.00** per month

Add to Cart

Starting at **\$45.00** per month without purchase of Local Service

Add to Cart

Starting at **\$35.00** per month with separate purchase of Local Service

Add to Cart

# FiOS Internet

## Packages

### Limited time offer for PA customers Since You're Already Wired for FiOS... Bundle Up & Save an Extra \$20/mo!

Get blazing fast FiOS Internet and two phone lines at a super bundle price.  
And because you're pre-wired for FiOS, get faster, easier installation.


[Chat Now](#)
[Call Me Now](#)

## Switching

## Equipment

## FiOS Quantum

Great news! Packages with FiOS® are  
available at your location

Your Address:  
1212 HAWTHORNE LN, UPPER DUBLIN, PA 19034  
[Change Address](#)

## Features

## Speed Test Tools

[Chat Now](#)

**SAVE \$60 WHEN  
ORDERING ONLINE**

Order online in just a few steps, plus save \$5/mo for  
12 months! It's simple — All you need are your  
business ID and your calendar to setup service when  
you want.



## Select Package

2 - Year Term | Dynamic IP Address | Why choose dynamic  
or static IP?

## Internet Only

## Internet + Phone

Pricing for New customers.

[What are bundle benefits?](#)

**Starter** — speeds up to:  
25 Mbps Download | 25 Mbps Upload

### Ideal for

- Smaller offices, 1-2 users or devices
- Email
- Light web browsing

starting at: **\$74.99** /mo  
With term agmt.  
Plus taxes, fees & equip. charges  
Price includes \$5/mo online  
discount for the first 12 months  
Includes \$20/mo FiOS discount +  
\$5/mo online discount for 12 months

[Order Now](#)
[Order Now](#)

**Quick** — speeds up to:  
50 Mbps Download | 25 Mbps Upload

### Ideal for

- Smaller offices, 3 or more users or devices
- Light file sharing
- Moderate downloading

starting at: **\$99.99** /mo  
With term agmt.  
Plus taxes, fees & equip. charges  
Price includes \$5/mo online  
discount for the first 12 months  
Includes \$20/mo FiOS discount +  
\$5/mo online discount for 12 months

[Order Now](#)
[Order Now](#)



Our Best Offer



SuperFast – speeds up to:

**75** Mbps Download **35** Mbps Upload

Ideal for

- 1-4 users or devices; great for cloud connecting
- Moderate file sharing
- Cloud backups, heavy web browsing

starting at: **\$124.99 /mo**  
 With term agmt.  
 Plus taxes, fees & equip. charges  
 Price includes \$5/mo online discount for the first 12 months  
 Includes \$20/mo FIOS discount + \$5/mo online discount for 12 months

Order Now

Order Now



Faster – speeds up to:

**150** Mbps Download **65** Mbps Upload

Ideal for

- Heavy Internet users, 1-5 users or devices, or more
- Heavy and frequent file sharing
- Webcams, online webinars and eCommerce

starting at: **\$189.99 /mo**  
 With term agmt.  
 Plus taxes, fees & equip. charges  
 Price includes \$5/mo online discount for the first 12 months  
 Includes \$20/mo FIOS discount + \$5/mo online discount for 12 months

Order Now

Order Now



Fastest – speeds up to:

**300** Mbps Download **65** Mbps Upload

Ideal for

- Ultimate experience, ideal for 6 or more users
- Online backups, heavy file sharing and web browsing
- Online webinars and eCommerce with orders

starting at: **\$259.99 /mo**  
 With term agmt.  
 Plus taxes, fees & equip. charges  
 Price includes \$5/mo online discount for the first 12 months  
 Includes \$20/mo FIOS discount + \$5/mo online discount for 12 months

Order Now

Order Now

Every Fios Internet package includes:

**30 DAY MONEY-BACK GUARANTEE**

**Worry-Free Installation**

If you're not totally happy, we'll refund 100% of your money up to 30 days from the start of your contract



**Business Applications**

Collaboration tools helps increase the productivity and security of your work.



**WiFi Hotspots**

Included with internet packages. Go to Internet Packages and pricing

connect to the Internet using your own laptop from thousands of Wi-Fi hotspots nationwide.

See Wifi Hot Spots >

Offer Terms and Conditions >

† Reprinted from www.pcmag.com with permission. © 2012 Ziff Davis, Inc. All Rights Reserved.

See Network Management Practices and Service Performance Information